eog resources

EOG Resources, Inc.
600 Seventeenth Street
Suite 1000N
Denver, CO 80202
Main: 303-572-9000
Fax: 303-824-5400

October 9, 2007
FEDERAL EXPRESS

State of Utah
Division of Oil, Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Attention: Ms. Diana Whitney

RE: Request for Exception to Location
and Siting of Wells
East Chapita 14-23Z
SW/4SE/4 of Sec 23-9S-23E
Uintah County, Utah
Chapita Wells Prospect
1500-G06

Ladies and Gentlemen:

EOG Resources, Inc. ("EOG") proposes and respectfully requests permission to drill the East Chapita 14-23Z, a 8,600' Wasatch/Mesaverde test well, at a location 870' FSL, 2070' FEL in the SW/4SE/4 of Section 23 Township 9 South, Range 23 East, SLM, Uintah County, Utah, which is not a location at which a well could be drilled in compliance with General Rule R649-3-2.

Due to a gilsonite vein encountered in the original East Chapita 14-23 well, and its subsequent location, EOG endeavored to stake the East Chapita 14-23Z location at a legal location in accordance with General Rule R649-3-2 but encountered pipelines in the area and was unable to comply with said regulation. Therefore, EOG is requesting this exception location.

Enclosed is a copy of the survey plat for the proposed well and another plat labeled Exhibit "A" which depicts the outlines of the 40-acre drilling units established in General Rule R649-3-2 and the location at which EOG requests permission to drill the proposed East Chapita 14-23Z well. There are no other owners within the 460' radius of the proposed East Chapita 14-23Z well (see enclosed Exhibit "B").

EOG respectfully requests the Utah Division of Oil, Gas and Mining review and grant administrative approval of this application for an exception well location and permission to drill the proposed Wasatch/Mesaverde formation well described herein at its earliest opportunity.

If you have any questions or need any additional information, please do not hesitate to contact the undersigned.

Yours very truly,

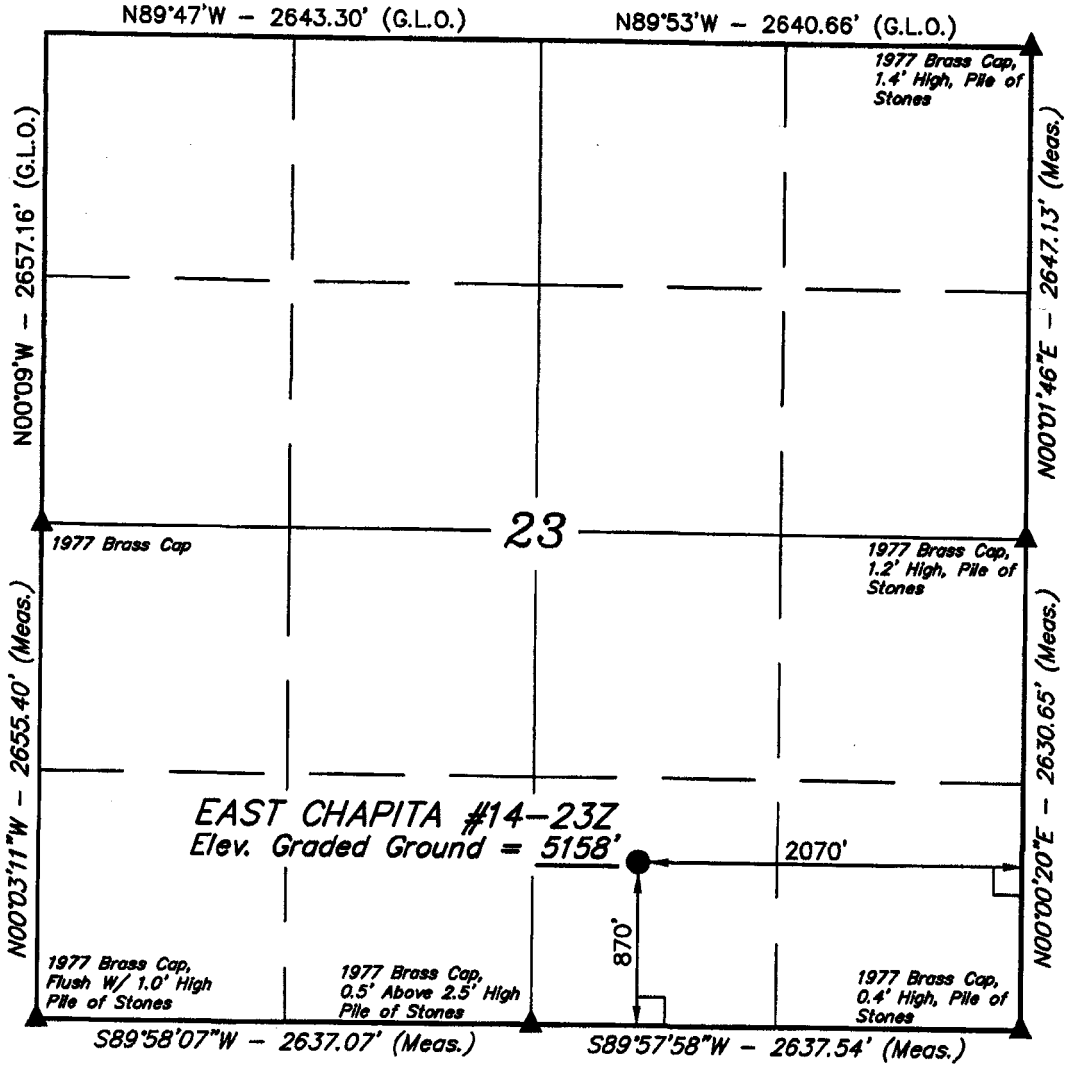
EOG RESOURCES, INC.

Debbie Spears
Land Associate

/das
Enclosures
M:\das\exceptionlocation\ec14-23Z

cc: Kaylene Gardner (with copies of enclosures)
Denver Well File (with copies of enclosures)

T9S, R23E, S.L.B.&M.



LEGEND:

└ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)
LATITUDE = 40°00'59.67" (40.016575)
LONGITUDE = 109°17'31.70" (109.292139)
(NAD 27)
LATITUDE = 40°00'59.79" (40.016608)
LONGITUDE = 109°17'29.26" (109.291461)

EOG RESOURCES, INC.

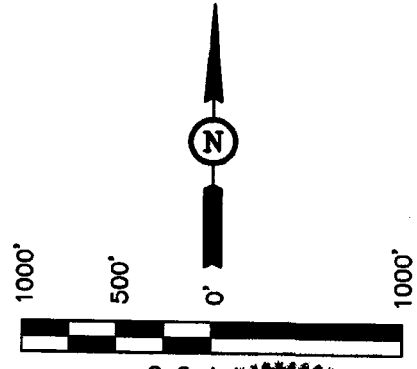
Well location, EAST CHAPITA #14-23Z, located as shown in the SW 1/4 SE 1/4 of Section 23, T9S, R23E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

BENCHMARK 58 EAM (1965) LOCATED IN THE NE 1/4 OF SECTION 30, T9S, R23E, S.L.B.&M. TAKEN FROM THE RED WASH SE, QUADRANGLE, UTAH, UINTAH COUNTY 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5132 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



S C A L E

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

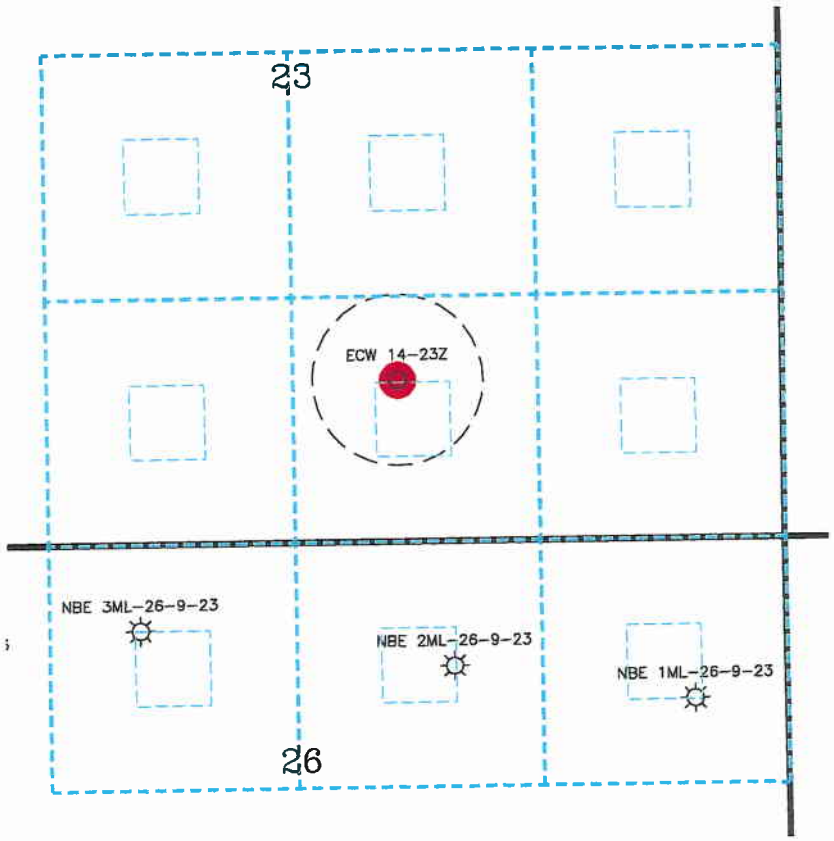
ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 10-08-07 L.K.
REVISED: 10-01-07 L.K.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 8-12-05	DATE DRAWN: 8-13-05
PARTY: G.O. B.C. K.G.	REFERENCES: G.L.O. PLAT	
WEATHER: HOT	FILE: EOG RESOURCES, INC.	

R 23 E



Oil or Gas Well Location Pattern pursuant to Utah Administrative Code Rule R 649-3-2

Legal window within which an oil and gas well could be drilled in compliance with R 649-3-2.

460' Radius

☼ Locations at which oil or gas wells have been drilled

● Location at which applicant requests permission to drill the proposed East Chapita 14-23Z Well: 870' FSL, 2070' FEL (SWSE) of Sec. 23, T9S, R23E

Scale: 1"=1000'

0 1/4 1/2 Mile

N

Exhibit "A"

eog resources

Denver Division

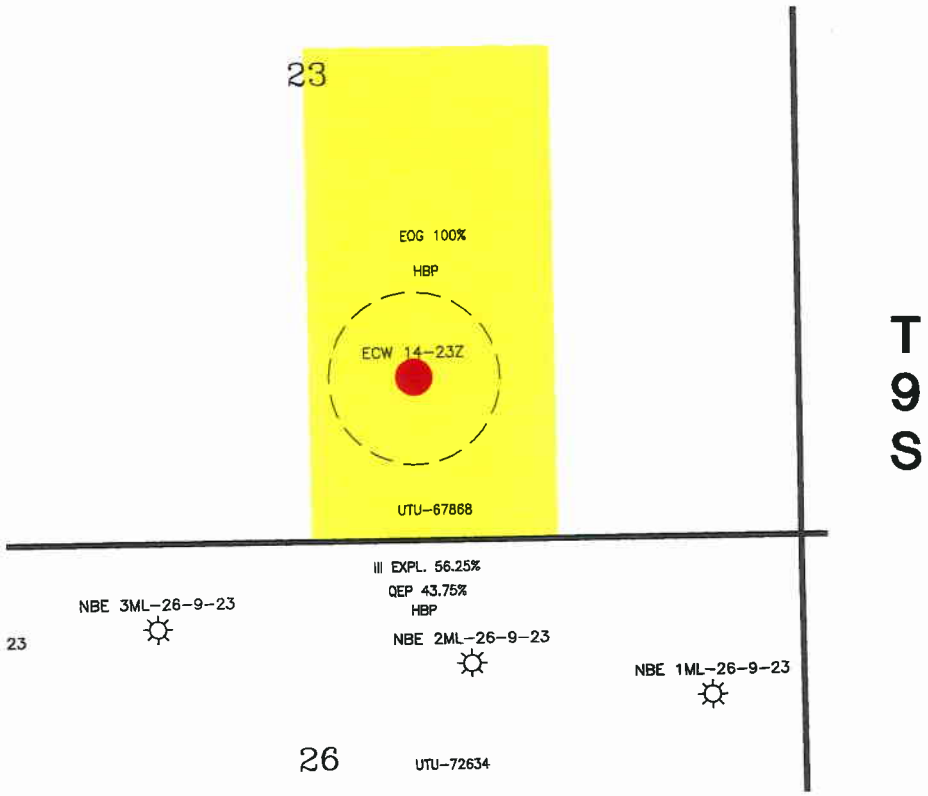
Application for
Exception Well Location

EAST CHAPITA 14-23Z WELL

UINTAH COUNTY, UTAH

Scale: 1"=1000'	D:\utah\exception_plats\exc9s23e-23.dwg exc_A_40	Author gt	Oct 09, 2007 - 1:13pm

R 23 E



Working Interest

EOG 100%

Location at which applicant requests permission to drill the proposed East Chapita 14-23Z Well:
870' FSL, 2070' FEL (SWSE) of Sec. 23, T9S, R23E

Exhibit "B"

Scale: 1"=1000'

0 1/4 1/2 Mile

N

eog resources

Denver Division

Application for
Exception Well Location

EAST CHAPITA 14-23Z WELL

UINTAH COUNTY, UTAH

Scale: 1"=1000'	D:\utah\exception_plats\exc9e23e-23.dwg exc_8_40	Author	Oct 09, 2007 - 1:11pm

United States Department of the Interior
BUREAU OF LAND MANAGEMENT
Vernal Field Office
170 South 500 East
Vernal, UT 84078
(435) 781-4400 Fax: (435) 781-4410
http://www.ut.blm.gov/utah/vernal

TAKE PRIDE IN AMERICA

N REPLY REFER TO:
3160
UT08300

October 9, 2007

Kaylene Gardner
EOG Resources, Inc.
1060 East Highway 40
Vernal, Utah 84078

Re: Well No. East Chapita 14-23Z
SWSE, Sec. 23, T9S, R23E
Uintah County, Utah
Lease No. UTU-67868
Rig Skid

Dear Ms. Gardner:

Enclosed are two (2) approved copies of the Application for Permit to Drill (APD) with attached Conditions of Approval for the above referenced well.

If you have any questions concerning APD processing, please contact me at (435) 781-4455.

Sincerely,

Cindy Severson

Cindy Severson
Land Law Examiner

Enclosures

Form 3160-3
(August 2007)

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.
UTU67868

6. If Indian, Allottee or Tribe Name

1a. Type of Work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

8. Lease Name and Well No.
EAST CHAPITA 14-23Z

2. Name of Operator
EOG RESOURCES INC
Contact: KAYLENE R GARDNER
E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM

9. API Well No.
43-047-39694

3a. Address
1060 EAST HIGHWAY 40
VERNAL, UT 84078

3b. Phone No. (include area code)
Ph: 435-781-9111

10. Field and Pool, or Exploratory
NATURAL BUTTES

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon

At proposed prod. zone SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon

11. Sec., T., R., M., or Blk. and Survey or Area
Sec 23 T9S R23E Mer SLB
SME: BLM

14. Distance in miles and direction from nearest town or post office*
57.9 MILES SOUTH OF VERNAL

12. County or Parish
UINTAH

13. State
UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any)
870

16. No. of Acres in Lease
1078.83

17. Spacing Unit dedicated to this well

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.
450

19. Proposed Depth
0 MD

20. BLM/BIA Bond No. on file
NM2308

21. Elevations (Show whether DF, KB, RT, GL, etc.
5158 GL

22. Approximate date work will start

23. Estimated duration
45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature	Name (Printed/Typed)	Date
(Electronic Submission)	KAYLENE R GARDNER Ph: 435-781-9111	10/09/2007

Title
LEAD REGULATORY ASSISTANT

Approved by (Signature)	Name (Printed/Typed)	Date
	BRADLEY G. HILL	10-15-07
Title	Office ENVIRONMENTAL MANAGER	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56688 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by CINDY SEVERSON on 10/09/2007 (08CXS0010AE)

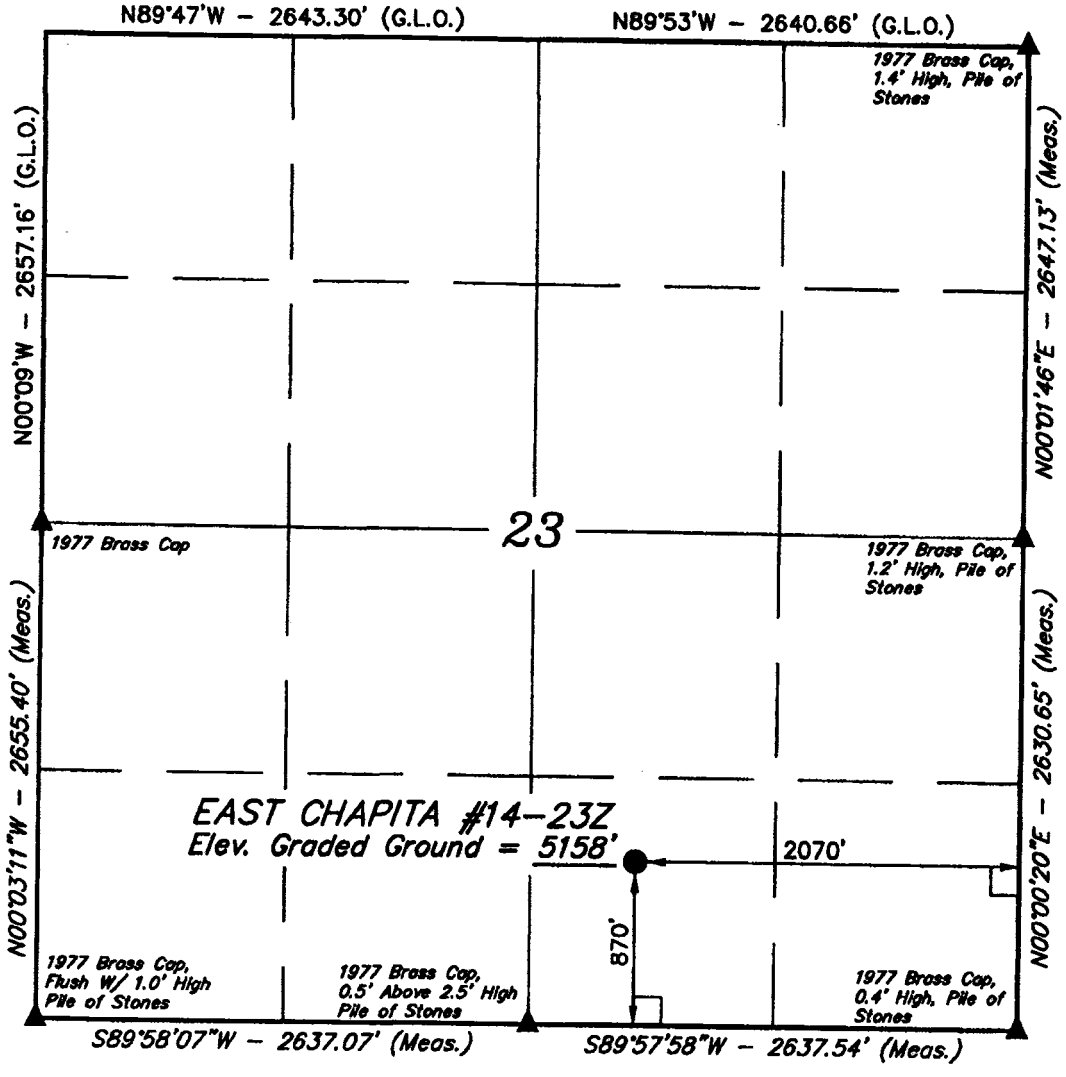
645814X
4430894
40.016614
-109.291448

Federal Approval of this Action is Necessary

RECEIVED
OCT 12 2007
DIV. OF OIL, GAS & MINING

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

T9S, R23E, S.L.B.&M.



EOG RESOURCES, INC.

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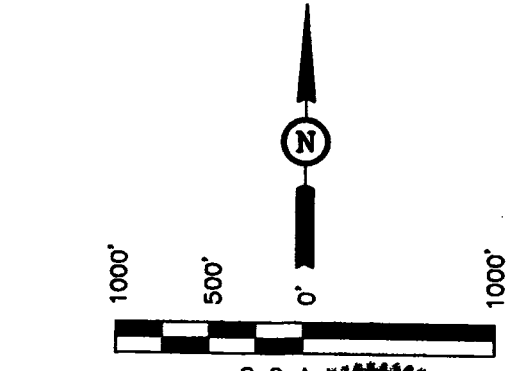

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ROBERT L. KAY
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

REVISED: 10-08-07 L.K.
REVISED: 10-01-07 L.K.

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UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 8-12-05	DATE DRAWN: 8-13-05
PARTY: G.O. B.C. K.G.	REFERENCES: G.L.O. PLAT	
WEATHER: HOT	FILE: EOG RESOURCES, INC.	

Revisions to Operator-Submitted EC Data for APD #56688

	Operator Submitted	BLM Revised (AFMSS)
Lease:	UTU67868	UTU67868
Agreement:		
Operator:	EOG RESOURCES, INC. 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435-781-9111	EOG RESOURCES INC 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435.781.9111
Admin Contact:	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435-781-9111 E-Mail: kaylene_gardner@eogresources.com	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT 1060 EAST HIGHWAY 40 VERNAL, UT 84078 Ph: 435-781-9111 Cell: 435-621-9099 E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM
Tech Contact:	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT 1060 EAST HIGHWAY 40 VERNAL, UT 84078	KAYLENE R GARDNER LEAD REGULATORY ASSISTANT 1060 EAST HIGHWAY 40 VERNAL, UT 84078
Well Name: Number:	EAST CHAPITA 14-23Z	EAST CHAPITA 14-23Z
Location: State: County: S/T/R: Surf Loc:	 UT UINTAH Sec 23 T9S R23E Mer SLB SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon	 UT UINTAH Sec 23 T9S R23E Mer SLB SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon
Field/Pool:	NATURAL BUTTES	NATURAL BUTTES
Bond:	NM 2308	NM2308

EIGHT POINT PLAN

EAST CHAPITA 14-23Z
SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

1. & 2. ESTIMATED TOPS & ANTICIPATED OIL, GAS, & WATER ZONES:

FORMATION	TVD-RKB (ft)	Objective	Lithology	
Green River	1,456		Shale	
Wasatch	4,342	Primary	Sandstone	Gas
Chapita Wells	4,884	Primary	Sandstone	Gas
Buck Canyon	5,575	Primary	Sandstone	Gas
North Horn	6,143	Primary	Sandstone	Gas
KMV Price River	6,311	Primary	Sandstone	Gas
KMV Price River Middle	7,256	Primary	Sandstone	Gas
KMV Price River Lower	7,946	Primary	Sandstone	Gas
Sego	8,347		Sandstone	
TD	**8,600**			

Estimated TD: **8,700' or 200'± below Sego top** **Anticipated BHP: 4,695 Psig**

1. Fresh Waters may exist in the upper, approximately 1,000 ft ± of the Green River Formation, with top at about 2,000 ft ±.
2. Cement isolation is installed to surface of the well isolating all zones by cement.

3. PRESSURE CONTROL EQUIPMENT: Production Hole – 5000 Psig
BOP schematic diagrams attached.

4. CASING PROGRAM:

CASING	Hole Size	Length	Size	WEIGHT	Grade	Thread	Rating Collapse	Factor Burst	Tensile
Conductor	17 ½"	0 – 45'	13 ⅜"	48.0#	H-40	STC	770 PSI	1730 PSI	322,000#
Surface	12 ¼"	0 – 2,300' KB±	9-⅝"	36.0#	J-55	STC	2020 PSI	3520 Psi	394,000#
Production	7-7/8"	Surface – TD	4-½"	11.6#	N-80	LTC	6350 PSI	7780 Psi	223,000#

Note: 12-¼" surface hole will be drilled to a total depth of 200'± below the base of the Green River lost circulation zone and cased w/9-⅝" as shown to that depth. Drilled depth may be shallower or deeper than the 2300' shown above depending on the actual depth of the loss zone.

All casing will be new or inspected.

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EIGHT POINT PLAN

EAST CHAPITA 14-23Z
SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

5. Float Equipment:

Surface Hole Procedure (0'- 2300'±)

Guide Shoe
Insert Float Collar (PDC drillable)
Centralizers: 1-5' above shoe, top of jts. #2 and #3 then every 5th joint to surface. (15 total)

Production Hole Procedure (2300'± - TD):

Float shoe, 1 joint casing, float collar and balance of casing to surface. 4-½", 11.6#, N-80 or equivalent marker collars or short casing joints to be placed at top of Price River and 400' above top of Wasatch. Centralizers to be placed 5' above shoe on joint #1, top of joint #2, and every 2nd joint to 400' above Wasatch Island top. Thread lock float shoe, top and bottom of float collar, and top of 2nd joint.

6. MUD PROGRAM

Surface Hole Procedure (Surface - 2300'±):

Air/air mist or aerated water.

Production Hole Procedure (2300'± - TD): Anticipated mud weight 9.5 – 10.5 ppg depending on actual wellbore conditions encountered while drilling.

2300'± - TD A closed mud system will be utilized. A bentonite gelled water mud system will be used to control viscosity w/PHPA polymer used for supplemental viscosity and clay encapsulation/inhibition. Water loss will be maintained at <15cc's using white starch or PAC. Bactericides will be used as needed. Anticipated pH will range from 9.0-10.0. Mud weight will be adjusted as necessary for well control. Deflocculants/thinners will be used as necessary to maintain mud quality. LCM sweeps will be utilized as necessary to control lost circulation and mud loss. CO2 contamination, if encountered, will be treated with lime and gypsum.

7. VARIANCE REQUESTS:

Reference: **Onshore Oil and Gas Order No. 2 – Item E: Special Drilling Operations**

EOG Resources, Inc. requests a variance to regulations requiring the blooie line to be 100' in length. Due to reduce location excavation, the blooie line will be approximately 75' in length

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EIGHT POINT PLAN

EAST CHAPITA 14-23Z
SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

8. EVALUATION PROGRAM:

Logs: Mud log from base of surface casing to TD.
Cased-hole Logs: Cased-hole logs will be run in lieu of open-hole logs consisting of the following:
Cement Bond / Casing Collar Locator and Pulsed Neutron

9. CEMENT PROGRAM:

Surface Hole Procedure (Surface - 2300'±):

Lead: **185 sks** Class "G" cement with 16% Gel, 10 #/sx Gilsonite, 3% Salt, 2% $CaCl_2$, 3 lb/sx GR3 ¼ #/sx Flocele mixed at 11 ppg, 3.82 ft^3/sk. yield, 23 gps water.

Tail: **207 sks** Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Top Out: As necessary with Class "G" cement with 2% $CaCl_2$, ¼#/sk Flocele mixed at 15.6 ppg, 1.18 ft^3/sk., 5.2 gps water.

Note: Cement volumes will be calculated to bring lead cement to surface and tail cement to 500'above the casing shoe.

Production Hole Procedure (2300'± - TD)

Lead: **117 sks:** Hi-Lift "G" w/12% D20 (Bentonite), 1% D79 (Extender), 5% D44 (Salt),0.2% D46 (Antifoam), 0.25% D112 (Fluid Loss Additive), 0.25 pps D29 (cello flakes) mixed at 11.0 ppg, 3.91 ft^3/sk., 24.5 gps water.

Tail: **836 sks**: 50:50 Poz "G" w/ 2% D20 (Bentonite), 0.1% D46 (Antifoam), 0.075% D13 (Retarder), 0.2% D167 (Fluid Loss Additive), 0.2% D65 (Dispersant), mixed at 14.1 ppg, 1.28 ft^3/sk., 5.9gps water.

Note: The above number of sacks is based on gauge-hole calculation.
Lead volume to be calculated to bring cement to 200'± above 9-5/8" casing shoe.
Tail volume to be calculated to bring cement to 400'± above top of Wasatch.

Final Cement volumes will be based upon gauge-hole plus 45% excess.

8 poin

EIGHT POINT PLAN

EAST CHAPITA 14-23Z
SW/SE, SEC. 23, T9S, R23E, S.L.B.&M.
UINTAH COUNTY, UTAH

10. ABNORMAL CONDITIONS:

Surface Hole (Surface - 2300'±):

Lost circulation

Production Hole (2300'± - TD):
Sloughing shales, lost circulation and key seat development are possible in the Wasatch Formation.

11. STANDARD REQUIRED EQUIPMENT:

A. Choke Manifold
B. Upper and Lower Kelly Cock
C. Stabbing Valve
D. Visual Mud Monitoring

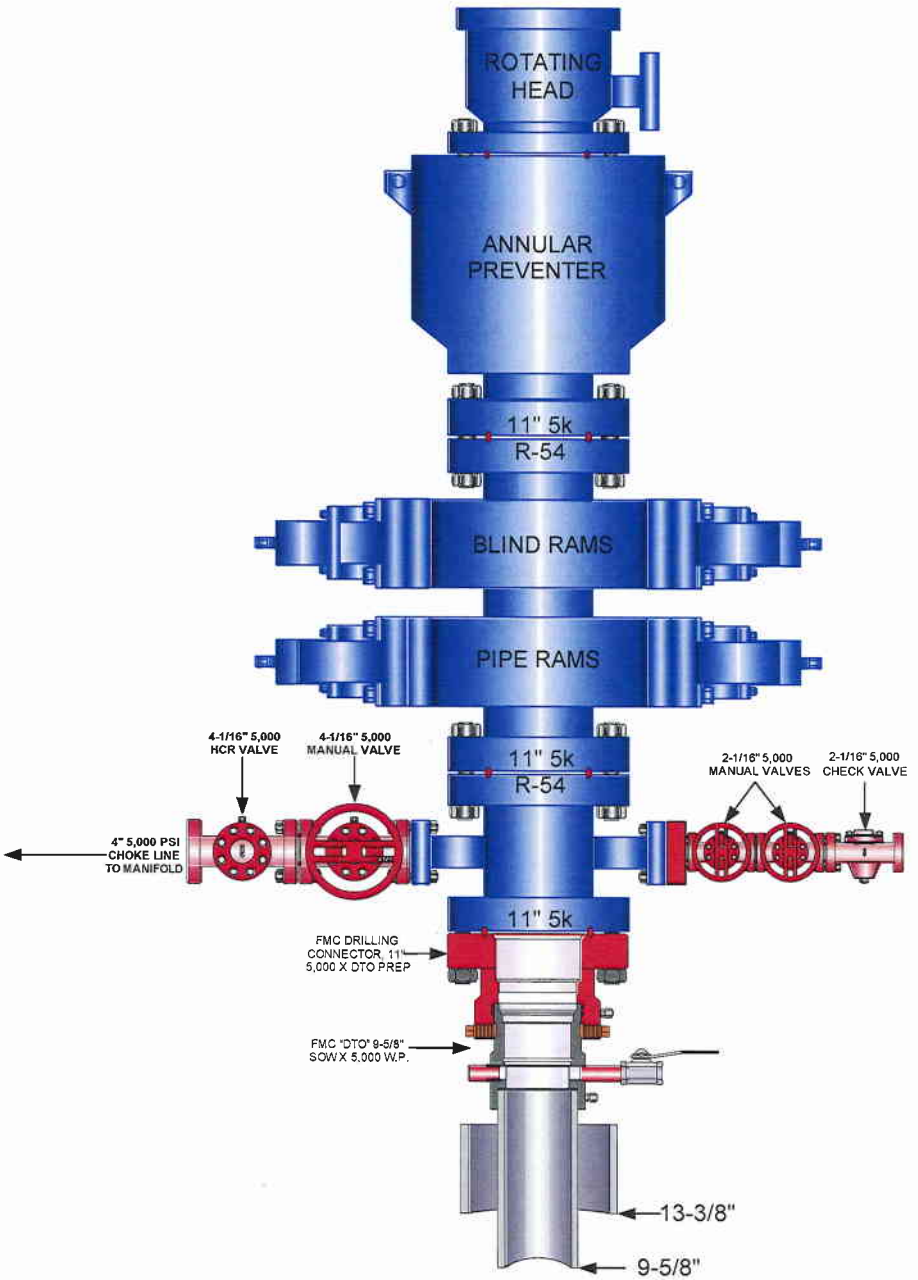
12. HAZARDOUS CHEMICALS:

No chemicals subject to reporting under SARA title III in an amount equal to or greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

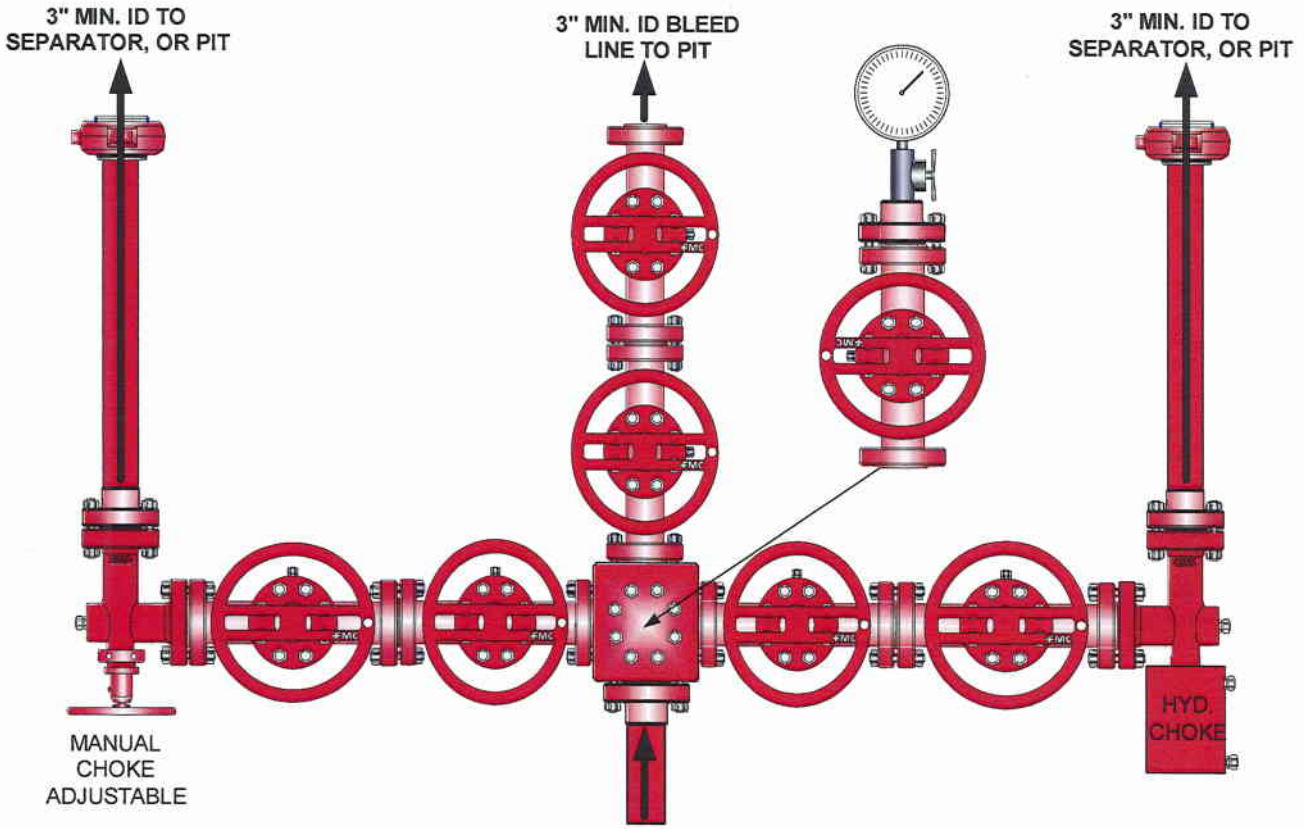
(Attachment: BOP Schematic Diagram)

8 poin

EOG RESOURCES 11" 5,000 PSI W.P. BOP CONFIGURATION



EOG RESOURCES CHOKE MANIFOLD CONFIGURATION W/ 5,000 PSI WP VALVES



Testing Procedure:

1. BOP will be tested with a professional tester to conform to Onshore Order #2.
2. Blind and Pipe rams will be tested to rated working pressure, 5,000 psi.
3. Annular Preventer will be tested to 50% working pressure, 2,500 psi.
   Casing will be tested to 0.22 psi / ft. or 1,500 psi. Not to exceed 70% of burst strength, whichever is greater.
4. All lines subject to well pressure will be tested to the same pressure as blind and pipe rams.
5. All BOPE specifications and configurations will meet Onshore Order #2 requirements.

eog resources

EAST CHAPITA 14-23Z
SW/SE, Section 23, T9S, R23E
Uintah County, Utah

SURFACE USE PLAN

NOTIFICATION REQUIREMENTS

Location Construction:	Forty-eight (48) hours prior to construction of location and access roads.
Location Completion:	Prior to moving on the drilling rig.
Spud Notice:	At least twenty-four (24) hours prior to spudding the well.
Casing String and Cementing:	Twenty-four (24) hours prior to running casing and cementing all casing strings.
BOP and related Equipment Tests:	Twenty-four (24) hours prior to running casing and tests.
First Production Notice:	Within five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

EOG Resources, Inc., hereby applies under Section 28 of the Act of February 25, 1920 (41 state. 449), (30 U.S.C. Section 185) as amended by the Act of November 16, 1973, (87 Stat. 576) and requests that this APD serve as the construction, operations and maintenance plan for the right-of-way application for the pipeline on federal lands. A 30-year right-of-way term is requested.

The requested pipeline right-of-way on Federal acreage necessary is approximately 9530' x 40', containing 8.75 acres more or less (see attached survey plats and maps).

The well pad is approximately 325 feet long with a 246-foot width, containing 1.84 acres more or less. The well access road is approximately 1320 feet long with a 30-foot right-of-way, disturbing approximately 0.91 acres. New surface disturbance associated with access road and the well pad is estimated to be approximately 2.75 acres. The pipeline is approximately 14,410 feet long, 4880' within Federal Lease UTU 67868, 380' within Federal Lease U-01301, 7100' within Federal Lease U-0344-A, and 2050' within Federal Lease U-37943 disturbing approximately 13.23 acres.

1. EXISTING ROADS:

A. See attached Wellsite Plats showing directional reference stakes on location, and attached TOPO Map "B" showing access to location from existing roads.

B. The proposed well site is located approximately 58.4 miles south of Vernal, Utah – See attached TOPO Map "A".

C. Refer to attached Topographic Map "A" showing labeled access route to location.

D. Existing roads will be maintained and repaired as necessary.

2. PLANNED ACCESS ROAD:

A. The access road will be approximately 1320' in length.

B. The access road has a 30 foot ROW w/18 foot running surface.

C. Maximum grade of the new access road will be 8 percent.

D. No turnouts will be required.

E. Road drainage crossings shall be of the typical dry creek drainage crossing type.

F. No bridges, or major cuts and fills will be required.

G. The access road will be dirt surface.

H. No gates, cattleguards, or fences will be required or encountered.

All travel will be confined to existing access road right-of-way.

New or reconstructed roads will be centerlined – flagged at time of location staking.

The road shall be constructed/upgraded to meet the standards to the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, graveling, crowning, and capping the roadbed as necessary to provide a well constructed safe road. Prior to upgrading the road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation or debris in the drainage crossings nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by run off water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. Should mud holes develop, they shall be filled in and detours around then avoided

As operator, EOG Resources, Inc. shall be responsible for all maintenance on cattleguards, or gates associated with this oil and/or gas operation.

The access road and associated drainage structures will be constructed and maintained in accordance with road guidelines contained in the joint BLM/USFS publication: Surface Operating Standards for Oil and Gas Exploration and Development, Third Edition, and/or BLM Manual Section 9113 concerning road construction standards on projects subject to federal jurisdiction. During the drilling and production phase of operations, the road surface and shoulders will be kept in a safe and useable condition and drainage ditches and culverts will be kept clear and free flowing.

3. *Location of Existing Wells Within a One-Mile Radius:*

A. Abandoned Wells – 2*
B. Producing Wells – 3*
C. Shut-in Wells – 0*

(See attached TOPO map "C" for the location of wells within a one-mile radius.)

4. *Location of Existing and/or Proposed Production Facilities:*

A. On Well Pad

1. Production facilities will be set on location if the well is successfully completed for production. Facilities will consist of wellhead valves, combo separator-dehy unit with meter, two (2) 400 BBL vertical tanks and attaching piping.

2. Gas gathering lines – A 4" gathering line will be buried from dehy to the edge of the location.

B. Off Well Pad

1. Proposed location of attendant off pad flowlines shall be flagged prior to archaeological clearance.

2. The length of the new proposed pipeline is 14.410' x 40'. The proposed pipeline leaves the northern edge of the well pad (Lease UTU 67868) proceeding in a northerly then southerly direction for an approximate distance of 4880' to Federal Lease U-01301 proceeding in a southwesterly direction for an approximate distance of 380', to Federal Lease U-0344-A, proceeding in a southerly direction for an approximate distance of 7100', to Federal Lease U-37943, proceeding southerly 2050' and tieing into existing permanent lateral pipeline for Chapita Wells Unit 1073-34, authorized under Chapita Wells Unit agreement, located in the NWNE of Section 34, T10S, R23E.

3. Pipe will be 4" NOM, 0.156 wall, Grade X42. An offlease permanent right-of-way will be required.

4. Proposed pipeline will be a 4" OD steel, welded line laid on the surface

5. Protective measures and devices for livestock and wildlife will be taken and /or installed where required.

If storage facilities/tank batteries are constructed on this lease, the facility/battery or the well pad shall be surrounded by a containment dike of sufficient capacity to contain, at a minimum, the entire contents of the largest tank within the facility/battery, unless more stringent protective requirements are deemed necessary by the authorized officer.

All permanent (on site for six months or longer) structures constructed or installed (including pumping units) will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the Rocky Mountain Five State Interagency Committee. All facilities will be painted within 6 months of installation. **All existing facilities will be painted with Carlsbad Canyon.** Facilities required to comply with O.S.H.A. (Occupational Safety and Health Act) will be excluded.

5. LOCATION AND TYPE OF WATER SUPPLY:

A. Water supply will be from Ouray Municipal Water Plant at Ouray, Utah, and/ or Target Trucking Inc.'s water source in the SW/SW. Sec 35, T9S, R22E Uintah County, Utah (State Water Right # 49-1501. Water will be hauled by a licensed trucking company.

B. Water will be hauled by a licensed trucking company.

C. No water well will be drilled on lease.

6. SOURCE OF CONSTRUCTION MATERIALS:

A. All construction material for this location and access road will be of native borrow and soil accumulated during the construction of the location.

B. No mineral materials will be required.

7. METHODS OF HANDLING WASTE DISPOSAL:

A. METHODS AND LOCATION

1. Cuttings will be confined in the reserve pit.

2. A portable toilet will be provided for human waste during the drilling and completion of the well. Disposal will be at the Vernal sewage disposal plant.

3. Burning will not be allowed. Trash and other waste material will be contained in a wire mesh cage and disposed of at the Uintah County Landfill.

4. Produced wastewater will be confined to a lined pit or storage tank for a period not to exceed 90 days after initial production. After the 90 day period, the produced water will be contained in a tank on location and then disposed of at one of the following three locations: Natural Buttes Unit 21-20B SWD, Ace Disposal, or EOG Resources, Inc. drilling operations (Chapita Wells Unit, Natural Buttes Unit & Stagecoach Unit).

5. All chemicals will be disposed of at an authorized disposal site. Drip pans and absorbent pads will be used on the drilling rig to avoid leakage of oil to the pit.

B. Water from drilling fluids and recovered during testing operations will be disposed of by either evaporating in the reserve pit or by removed and disposed of at an authorized disposal site. Introduction of well bore hydrocarbons to the reserve pit will be avoided by flaring them off in the flare pit at the time of recovery.

The reserve pit will be constructed so as not to leak, break, or allow discharge.

A plastic nylon reinforced liner will be used. It will be a minimum of 12 mil thickness with sufficient bedding (i.e. weed free straw, or hay; felt; or soil) to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. More stringent protective requirements may be deemed necessary by the A.O.

EOG Resources, Inc. maintains a file, per 29 CFR 1910.1200 (g) containing current Material Safety Data Sheets (MSDS) for all chemicals, compounds, and/or substances which are used during the course of construction, drilling, completion, and production operations for this project. Hazardous materials (substances) which may be found at the site may include drilling mud and cementing products which are primarily inhalation hazards, fuels (flammable and/or combustible), materials that may be necessary for well completion/ stimulation activities such as flammable or combustible substances and acids/gels (corrosives). The opportunity for Superfund Amendments and Reauthorization Act (SARA) listed Extremely Hazardous Substances (EHS) at the site is generally limited to proprietary treating chemicals. All hazardous and EHS and commercial preparations will be handled in an appropriate manner to minimize the potential for leaks or spills to the environment.

8. ANCILLARY FACILITIES:

None anticipated.

9. WELL SITE LAYOUT:

A. Refer to attached well site plat for related topography cuts and fills and cross sections.

B. Refer to attached well site plat for rig layout and soil material stockpile location as approved on On-site.

C. Refer to attached well site plat for rig orientation, parking areas, and access road.

The reserve pit will be located on the southeast corner of the location. The flare pit will be located downwind of the prevailing wind direction on the south side of the location, a minimum of 100 feet from the well head and 30 feet from the reserve pit fence.
The stockpiled pit topsoil will be stored separate from the location topsoil south of corner #5. The stockpiled location topsoil will be stored between corners #2 and #4, corner #6 and the access road. Upon completion of construction, the stockpiled topsoil from the location will be broadcast seeded with the approved seed mixture from this location and then walked down with a Caterpiller tractor.

Access to the well pad will be from the west.

FENCING REQUIREMENTS:

All pits will be fenced according to the following minimum standards:

A. Thirty-nine inch net wire shall be used with at least one strand of barbed wire on top of the net wire. (Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.)

B. The net wire shall be no more than 2 inches above the ground. The barbed wire strand shall be 3 inches above the net wire. Total height of the fence shall be at least 42 inches.

C. Corner posts shall be cemented and/or braced in such a manner as to keep the fence tight at all times.

D. Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distances between any two posts shall be no greater than 16 feet.

E. All wire shall be stretched by using a stretching device before it is attached to the corner posts.

The reserve pit fencing will be on the three sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until clean-up.

Each existing fence to be crossed by the access road shall be braced and tied off before cutting so as to prevent slacking of the wire. The opening shall be closed temporarily as necessary during construction to prevent the escape of livestock, and, upon completion of construction, the fence shall be repaired to BLM or SMA specifications. A cattleguard with an adjacent 16 foot gate shall be installed in any fence where a road is regularly traveled. If the well is a producer, the cattleguards (shall/shall not) be permanently counted on concrete bases. Prior to crossing any fence located on Federal land, or any fence between Federal land and private land, the operator will contact the BLM, who will in turn contact the grazing permittee or owner of said fence and offer him/her the opportunity to be present when the fence is cut in order to satisfy himself/herself that the fence is adequately braced and tied off.

10. PLANS FOR RECLAMATION OF THE SURFACE:

A. *Producing Location*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, materials, trash, and junk not required for production.

Immediately upon well completion, any hydrocarbons on the pit shall be removed in accordance with CFR 3162.7-1.

If a plastic nylon reinforced liner is used, it shall be torn and perforated before backfilling of the reserve pit.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The stockpiled pit topsoil will then be spread over the pit area and broadcast seeded with the prescribed seed mixture for this location. The seeded area will then be walked down with a cat.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Crested Wheatgrass	9.0
Kochia Prostrata	3.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

B. *Dry Hole/Abandoned Location*

At such time as the well is plugged and abandoned, the operator will submit a subsequent report of abandonment and the BLM will attach the appropriated surface rehabilitation conditions of approval.

Seed Mixture	Drilled Rate (lbs./acre PLS*)
Wyoming Big Sage	3.0
Shadscale	2.0
Needle & Thread Grass	2.0
HY Crested Wheat Grass	4.0
Winter Fat/Glow Mellow	1.0

*Pure live seed (PLS) formula: percent of purity of seed mixture times percent germination of seed mixture equals portion of seed mixture that is PLS.

11. SURFACE OWNERSHIP:

Surface ownership of the proposed well site, access road, and pipeline route is as follows:

Bureau of Land Management

12. OTHER INFORMATION:

A. EOG Resources, Inc. will inform all persons in the area who are associated with this project that they are subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator will immediately stop work that might further disturb such materials, and contact the Authorized Officer. Within five working days the Authorized Officer will inform the operator as to:

- Whether the materials appear eligible for the National Register of Historic Places;
- The mitigation measures the operator will likely have to undertake before the site can be used.
- A time frame for the Authorized Officer to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the Authorized Officer are correct and that mitigation is appropriate.

If the operator wished, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the Authorized Officer will assume responsibility for whatever recordation and stabilization of the exposed materials that may be required. Otherwise, the operator will be responsible for mitigation costs. The Authorized Officer will provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the Authorized Officer that required mitigation has been completed, the operator will then be allowed to resume construction.

B. As operator, EOG Resources, Inc. will control noxious weeds along Right-of-Ways for roads, pipelines, well sites, or other applicable facilities. A list of noxious weeds will be obtained from the BLM administered land, a Pesticide Use proposal shall be submitted, and given approval, prior to the application or herbicides or other pesticides or possible hazardous chemicals.

C. The drilling rig and ancillary equipment will be removed from the location prior to commencement of completion operations. Completion operations will be conducted utilizing a completion/workover rig.

D. Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on BLM lands after the conclusion of drilling operations or at any other time without BLM authorization. However, if BLM authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities. (The BLM does not seek to compete with private industry. There are commercial facilities available for stacking and storing drilling rigs.)

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice of Lessees. The operator is fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" and "Right-of-Way grant", if applicable, will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Construction activity will not be conducted using frozen or saturated soils material or during periods when watershed damage is likely to occur.

If the existing access road, proposed access road, and proposed pad are dry during construction, drilling, and completion activities, water will be applied to help facilitate compaction during construction and to minimize soil loss as a result of wind erosion.

A cultural resources and paleontology survey will be conducted and submitted by Montgomery Archaeological Consultants.

Additional stipulations

No construction or drilling activities shall be conducted February 1st through July 15th due to Golden Eagle stipulations.

LESSEE OR OPERATOR'S REPRESENTATIVE AND CERTIFICATION:

PERMITTING AGENT
Kaylene R. Gardner
EOG Resources, Inc.
P.O. Box 1815
Vernal, Ut 84078
(435) 781-9111

DRILLING OPERATIONS
Donald Presenkowski
EOG Resources, Inc.
P.O. Box 250
Big Piney, WY 83113
307-276-4865

I hereby certify that I, or persons under my direct supervision, have inspected the proposed drill site and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed by EOG Resources, Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

Please be advised that EOG Resources, Inc. is considered to be the operator of the East Chapita 14-23Z Well, located in the SW/SE, of Section 23, T9S, R23E, Uintah County, Utah; Federal land and minerals; and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond Coverage is under Bond # NM 2308.

October 9, 2007
Date

Kaylene R. Gardner, Lead Regulatory Assistant

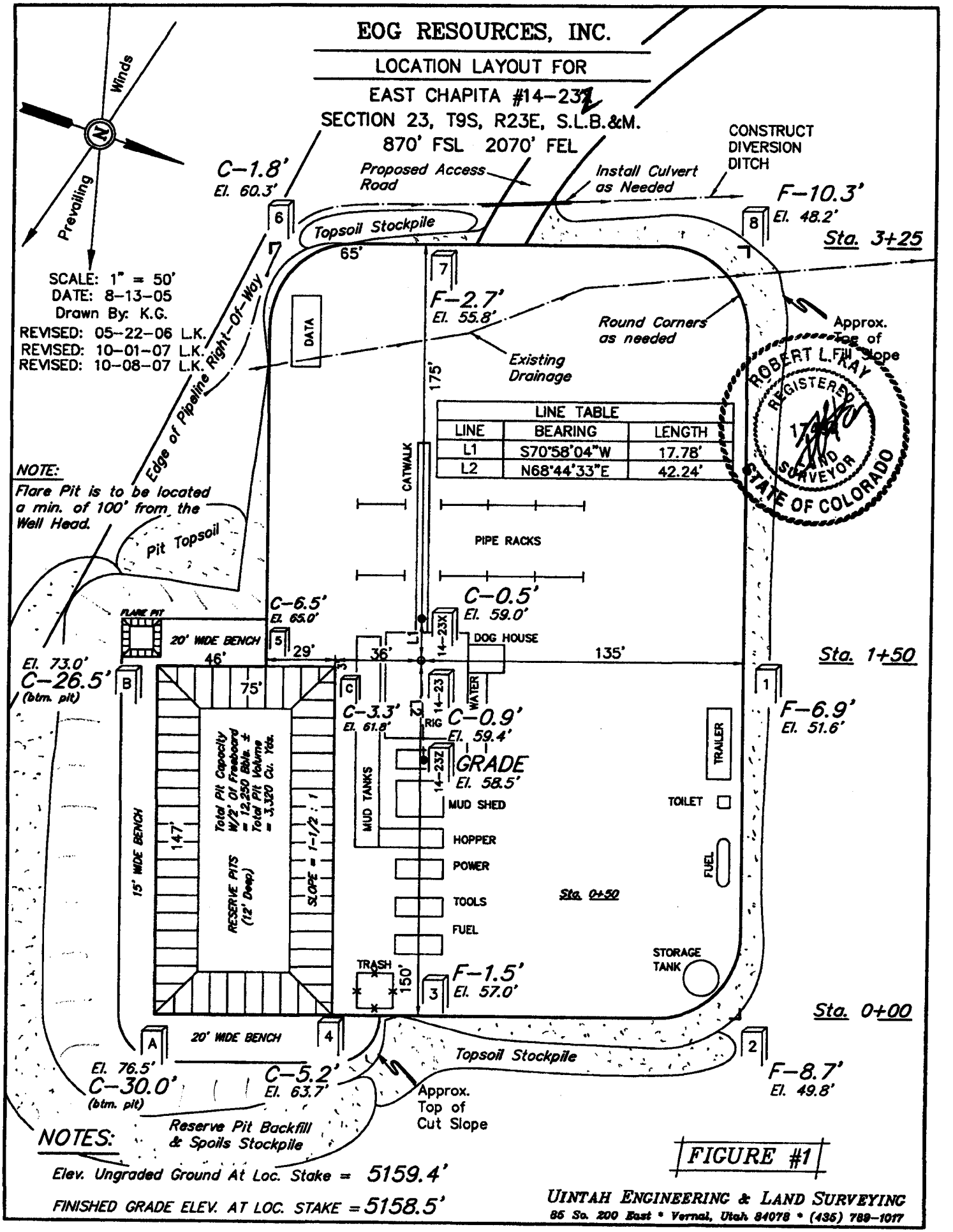
EOG RESOURCES, INC.

LOCATION LAYOUT FOR

EAST CHAPITA #14-23

SECTION 23, T9S, R23E, S.L.B.&M.

870' FSL 2070' FEL



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5159.4'

FINISHED GRADE ELEV. AT LOC. STAKE = 5158.5'

FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

EOG RESOURCES, INC.

TYPICAL CROSS SECTIONS FOR

EAST CHAPITA #14-23

SECTION 23, T9S, R23E, S.L.B.&M.

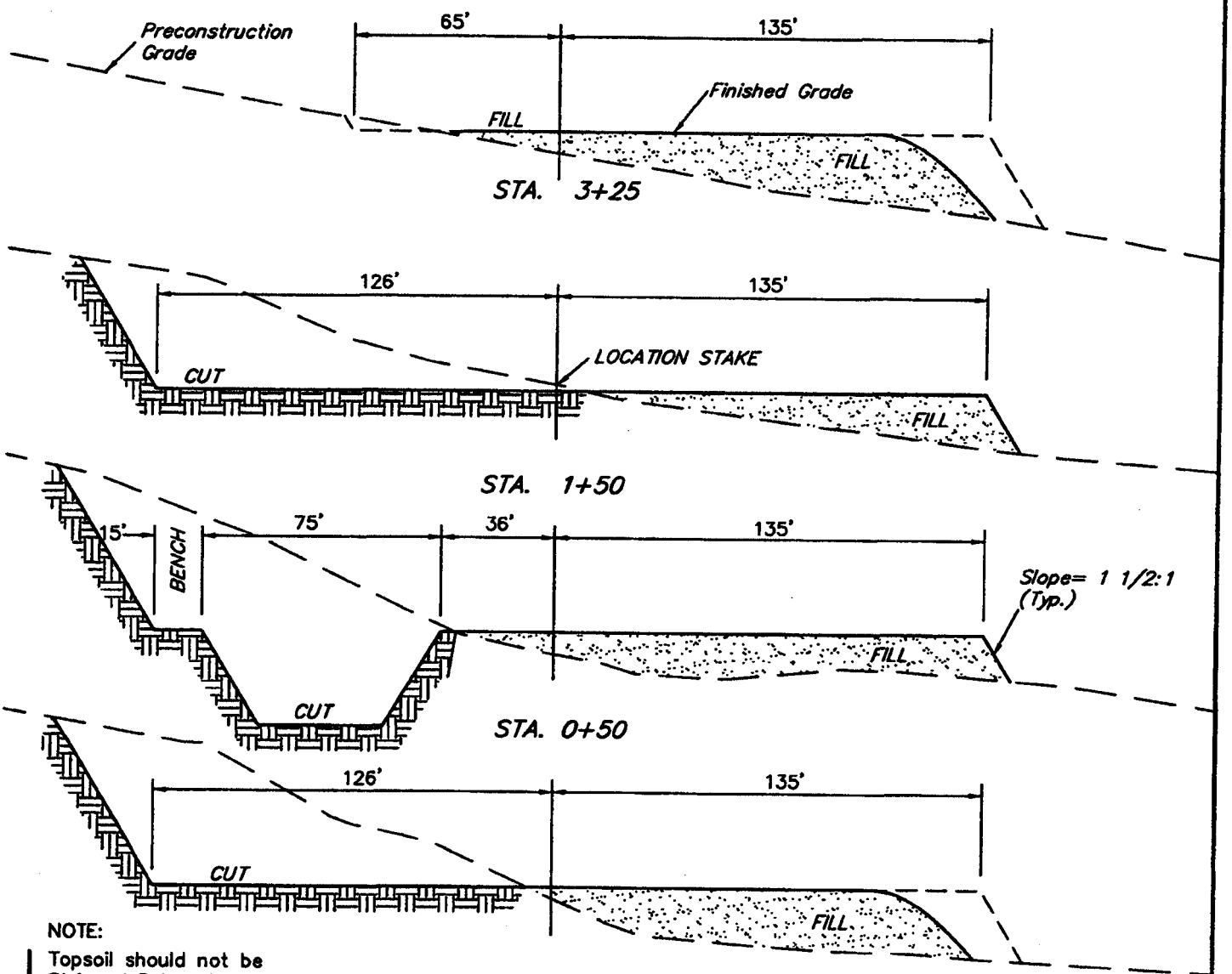
870' FSL 2070' FEL

FIGURE #2

ROBERT L. KAY REGISTERED 17492 LAND SURVEYOR STATE OF COLORADO

1" = 20'
X-Section Scale
1" = 50'

DATE: 8-13-05
Drawn By: K.G.
REVISED: 10-01-07 L.K.
REVISED: 10-08-07 L.K.



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,810 Cu. Yds.
Remaining Location = 11,990 Cu. Yds.

TOTAL CUT = 13,800 CU.YDS.
FILL = 10,330 CU.YDS.

EXCESS MATERIAL = 3,470 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 3,470 Cu. Yds.
EXCESS UNBALANCE (After Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

EOG RESOURCES INC.

EAST CHAPITA #14-23Z

LOCATED IN UINTAH COUNTY, UTAH
SECTION 23, T9S, R23E, S.L.B.&M.

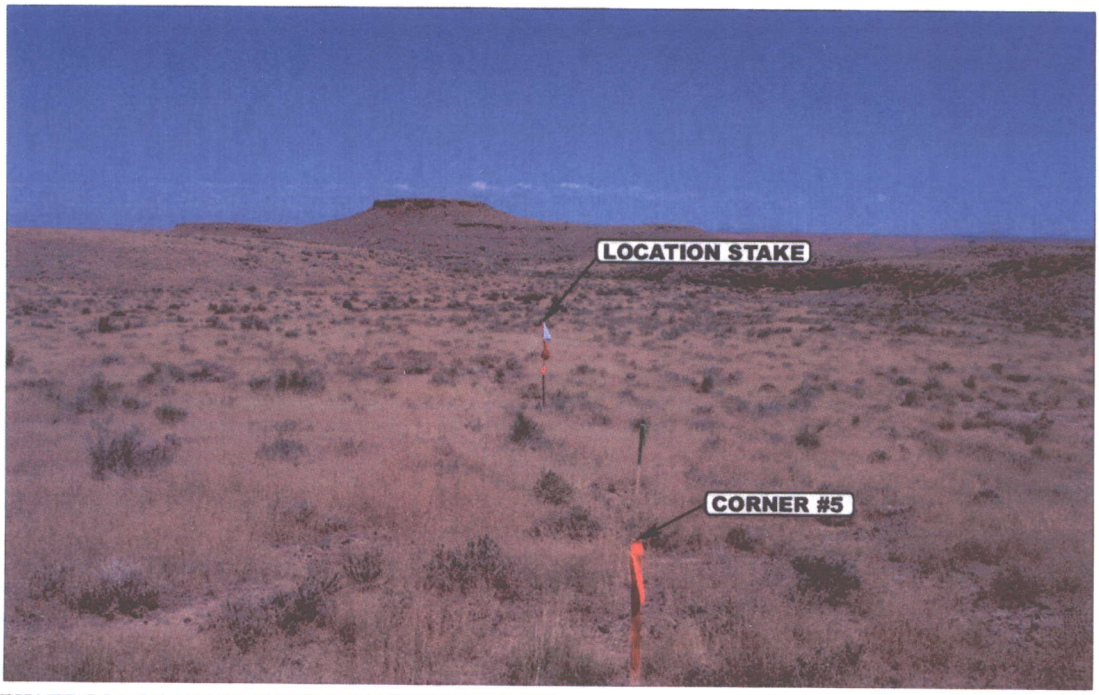
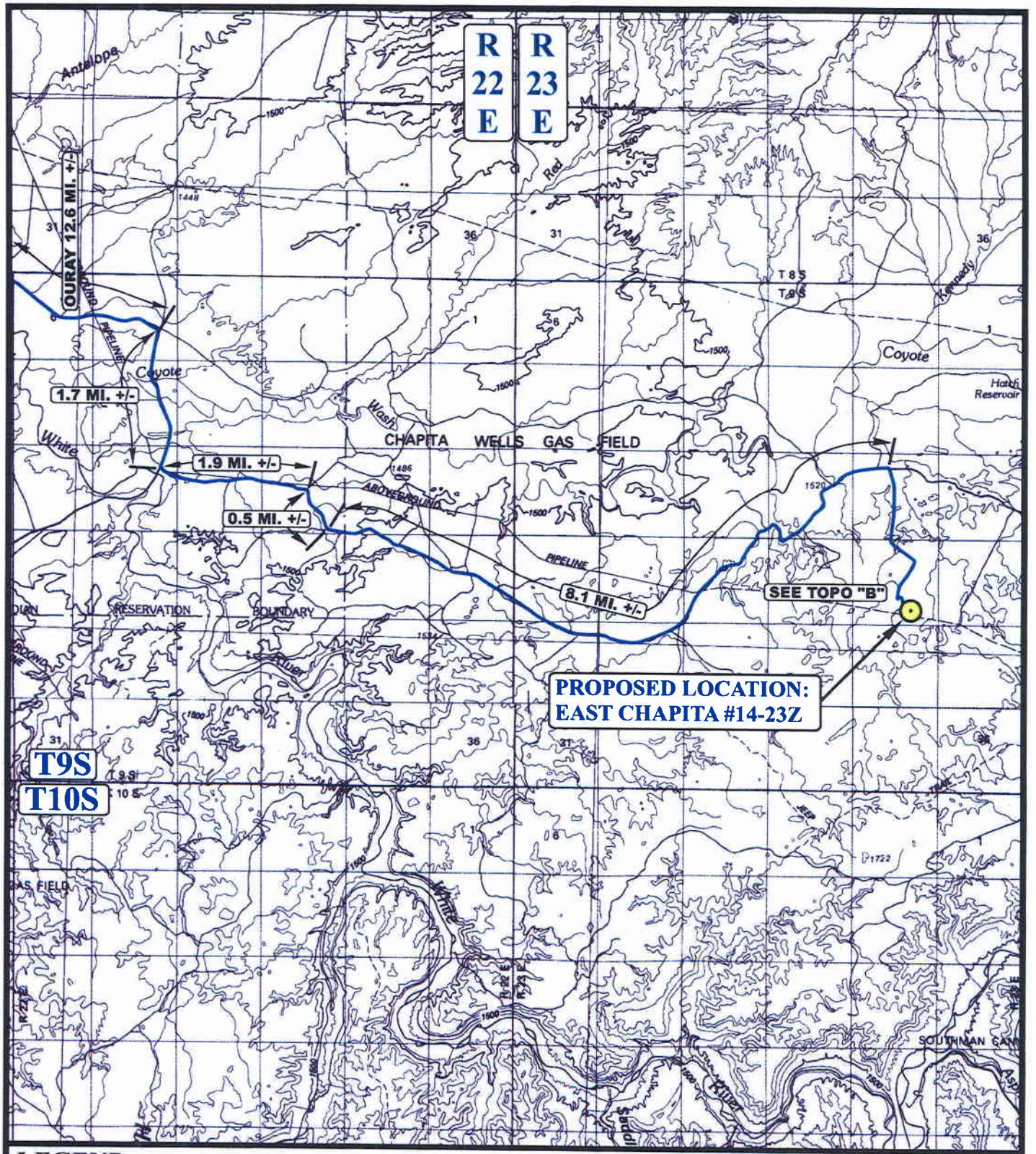


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE **CAMERA ANGLE: NORTHWESTERLY**

PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS **CAMERA ANGLE: SOUTHEASTERLY**

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS	08 MONTH	13 DAY	05 YEAR	PHOTO
TAKEN BY: G.O.	DRAWN BY: C.H.	REV: 10-08-07 L.K.		



LEGEND:

⊙ PROPOSED LOCATION

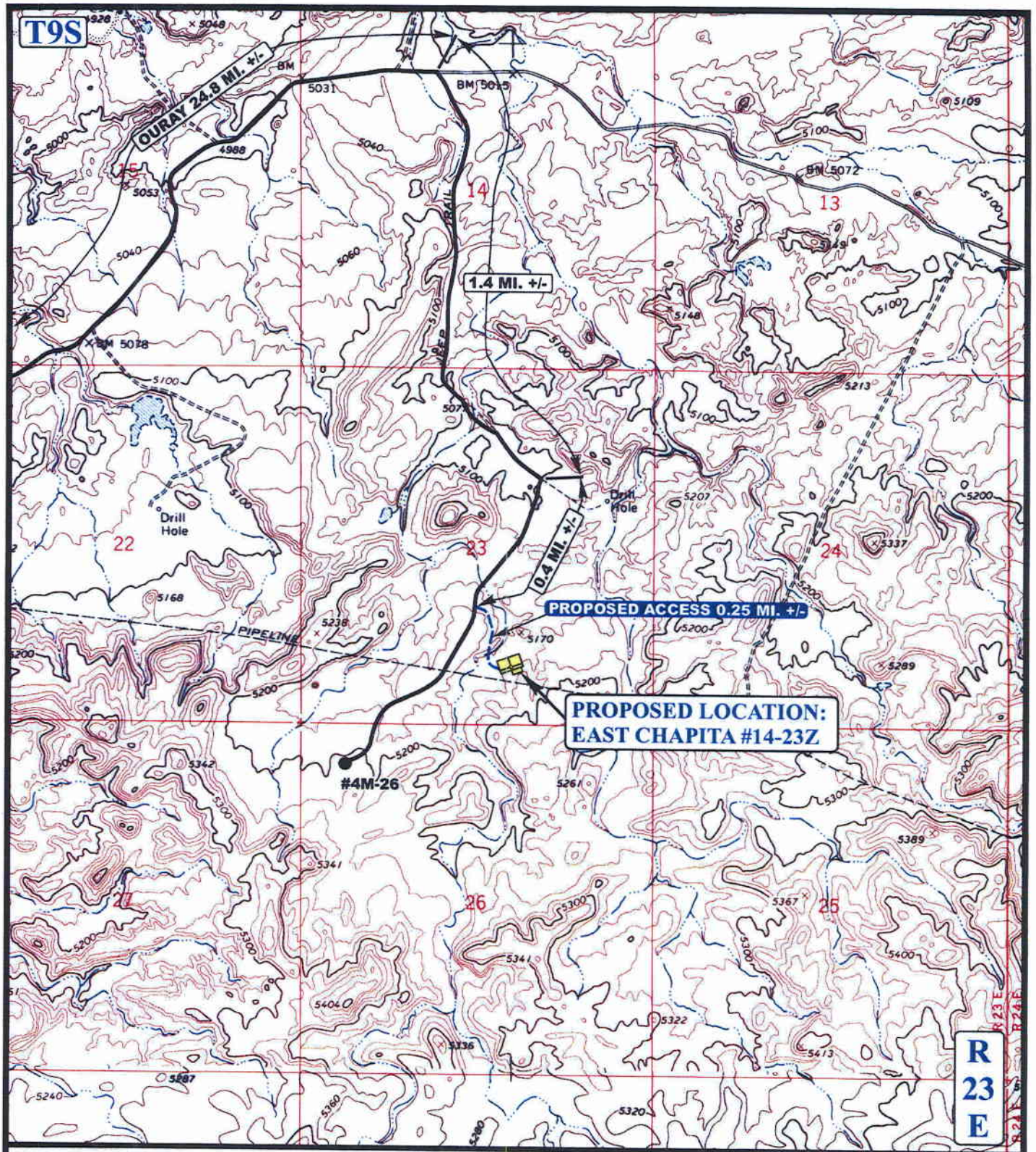
N

EOG RESOURCES INC.

EAST CHAPITA #14-23Z
SECTION 23, T9S, R23E, S.L.B.&M.
870' FSL 2070' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	08 MONTH	13 DAY	05 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: C.H.	REV: 10-08-07 L.K.		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

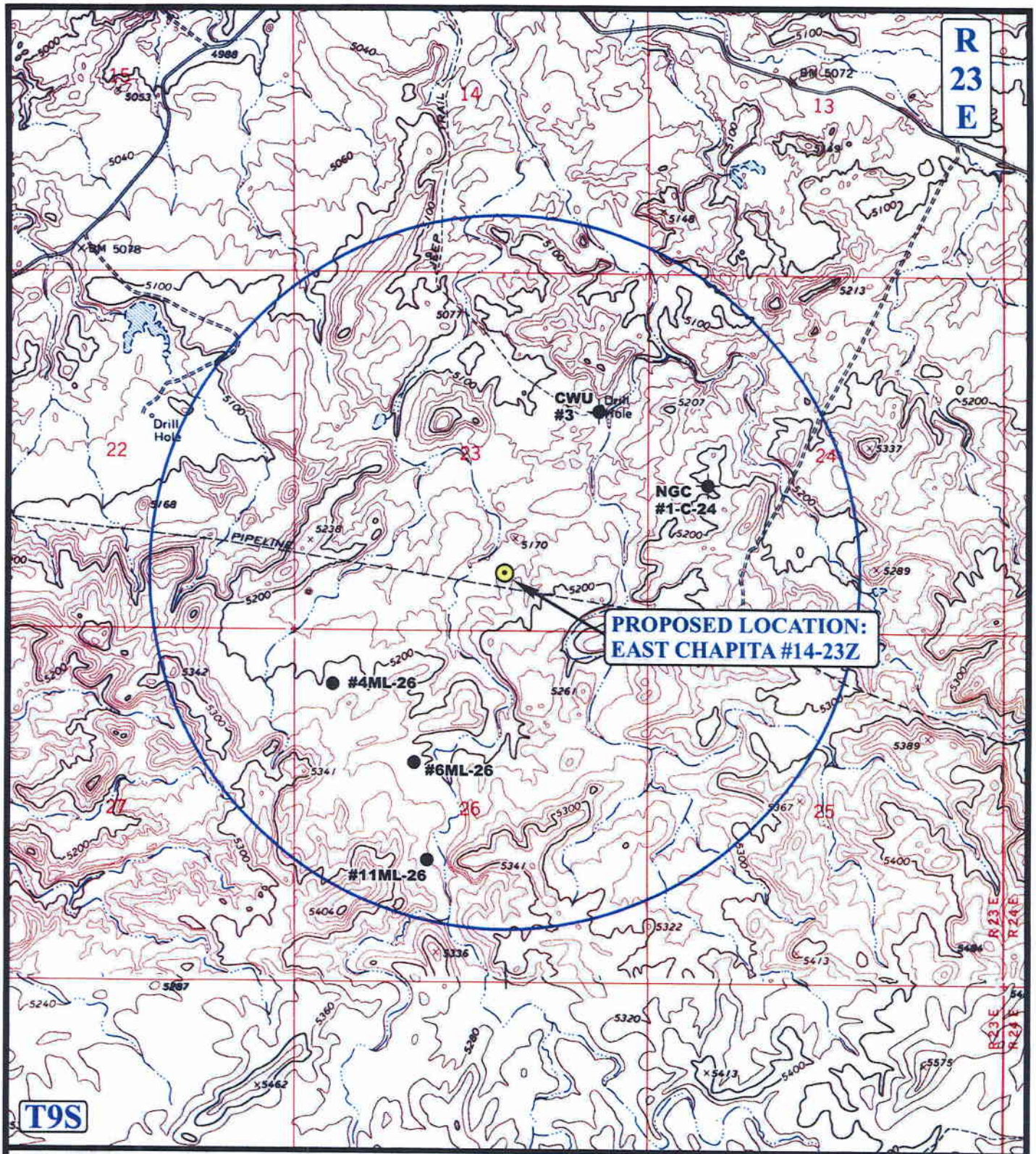
N

EOG RESOURCES INC.

EAST CHAPITA #14-23Z
SECTION 23, T9S, R23E, S.L.B.&M.
870' FSL 2070' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	08 MONTH	13 DAY	05 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: C.H.	REV: 10-08-07 L.K.		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

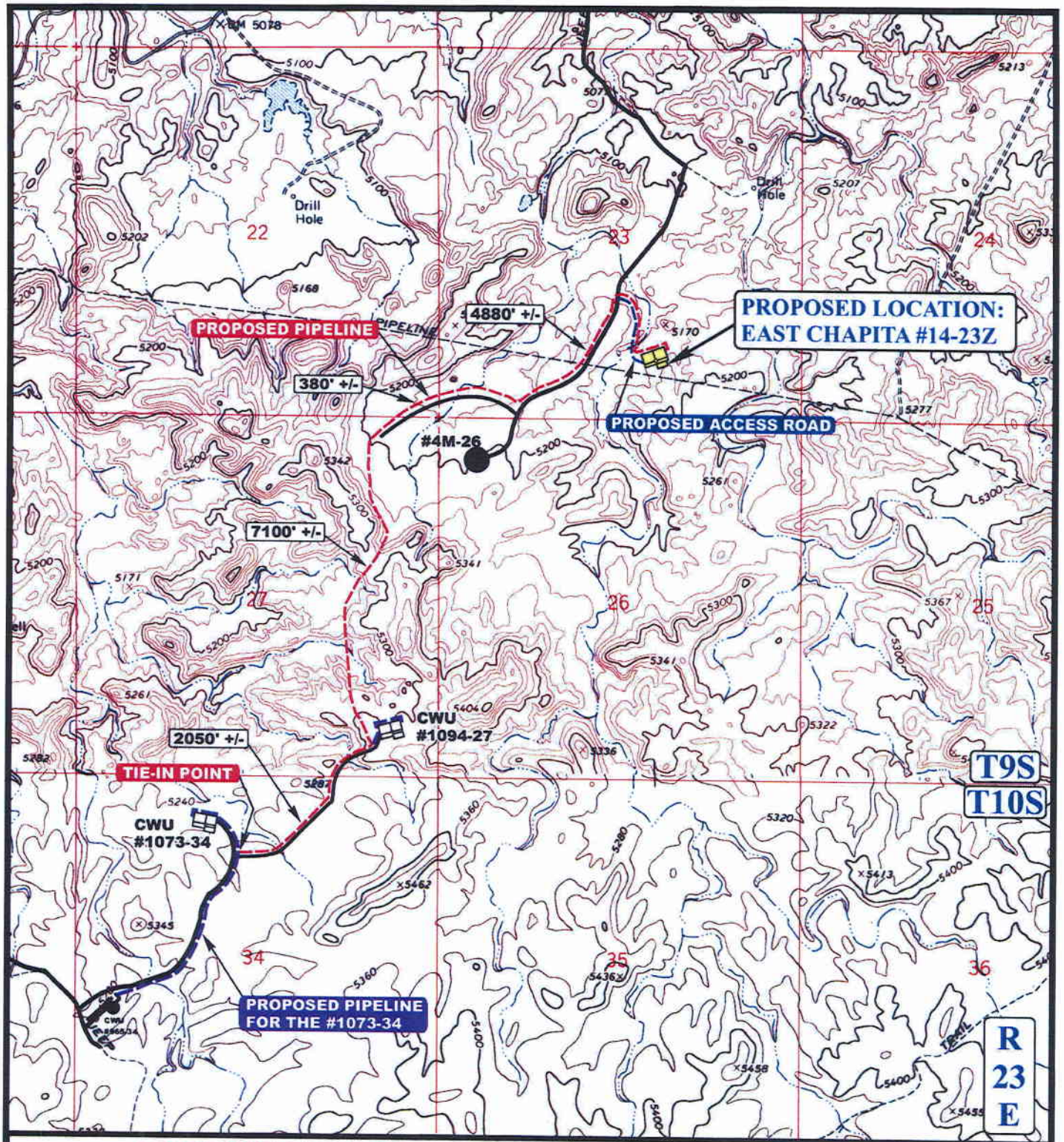
N

EOG RESOURCES INC.

EAST CHAPITA #14-23Z
SECTION 23, T9S, R23E, S.L.B.&M.
870' FSL 2070' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	08 MONTH	13 DAY	05 YEAR
SCALE: 1" = 2000'	DRAWN BY: C.H.	REV: 10-08-07 L.K.	C TOPO



APPROXIMATE TOTAL PIPELINE DISTANCE = 14,410' +/-

LEGEND:

PROPOSED ACCESS ROAD
EXISTING PIPELINE
PROPOSED PIPELINE
PROPOSED PIPELINE (SERVICING OTHER WELLS)

N

EOG RESOURCES INC.

EAST CHAPITA #14-23Z
SECTION 23, T9S, R23E, S.L.B.&M.
870' FSL 2070' FEL

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	08 MONTH	13 DAY	05 YEAR	D TOPO
SCALE: 1" = 2000'	DRAWN BY: C.H.	REV: 10-08-07 L.K.		

Form 3160-3
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

RECEIVED
OCT 0 9 2007
BLM

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

5. Lease Serial No.: UTU67868

6. If Indian, Allottee or Tribe Name:

1a. Type of Work: ☒ DRILL ☐ REENTER

7. If Unit or CA Agreement, Name and No.:

1b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

8. Lease Name and Well No.: EAST CHAPITA 14-23Z

2. Name of Operator: EOG RESOURCES INC
Contact: KAYLENE R GARDNER
E-Mail: KAYLENE_GARDNER@EOGRESOURCES.COM

9. API Well No.: 43-047-39694

3a. Address: 1060 EAST HIGHWAY 40
VERNAL, UT 84078

3b. Phone No. (include area code): Ph: 435-781-9111

10. Field and Pool, or Exploratory: NATURAL BUTTES

4. Location of Well *(Report location clearly and in accordance with any State requirements.*)*

At surface: SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon

At proposed prod. zone: SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon

11. Sec., T., R., M., or Blk. and Survey or Area: Sec 23 T9S R23E Mer SLB

14. Distance in miles and direction from nearest town or post office*: 57.9 MILES SOUTH OF VERNAL

12. County or Parish: UINTAH

13. State: UT

15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any): 870

16. No. of Acres in Lease: 1078.83

17. Spacing Unit dedicated to this well:

18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft.: 450

19. Proposed Depth: 8600 MD

20. BLM/BIA Bond No. on file: NM2308

21. Elevations (Show whether DF, KB, RT, GL, etc.): 5158 GL

22. Approximate date work will start:

23. Estimated duration: 45 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature: (Electronic Submission)

Name (Printed/Typed): KAYLENE R GARDNER Ph: 435-781-9111

Date: 10/09/2007

Title: LEAD REGULATORY ASSISTANT

Approved by (Signature):

Name (Printed/Typed): JERRY KENCZKA

Date: 10-9-2007

Title: Assistant Field Manager
Lands & Mineral Resources

Office: VERNAL FIELD OFFICE

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached. **CONDITIONS OF APPROVAL ATTACHED**

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Electronic Submission #56688 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal
Committed to AFMSS for processing by CINDY SEVERSON on 10/09/2007 (08CXS0010AE)

RECEIVED
OCT 1 2 2007
DIV. OF OIL, GAS & MINING

NOTICE OF APPROVAL

645814X
4430789Y
40.016614
-109.291448

**** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ** BLM REVISED ****

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**EOG Resources, Inc.**	**Location:**	**SWSE, Sec. 23, T9S, R23E**
Well No:	**East Chapita 14-23Z**	**Lease No:**	**UTU-67868**
API No:	**43-047-**	**Agreement:**	**N/A**

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
NRS/Enviro Scientist:	Paul Buhler	(435) 781-4475	(435) 828-4029
NRS/Enviro Scientist:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	
NRS/Enviro Scientist:		(435) 781-4476	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Jannice Cutler	(435) 781-3400	(435) 828-3544
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545
		Fax: (435) 781-3420	

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

Surface COAs:

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.

- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

- Within 90 calendar days of the approval date for this Application for Permit to Drill (APD), the operator/lessee shall submit to the Authorized Officer (AO), on Sundry Notice Form 3160-5, an Interim Surface Reclamation Plan for surface disturbance on well pads, access roads, and pipelines. At a minimum, this will include the reshaping of the pad to the original contour to the extent possible; the respreading of the top soil up to the rig anchor points; and, the area reseeded using appropriate reclamation methods. The AO will provide written approval or concurrence within 30 calendar days of receipt. During interim management of the surface, use the following seed mix:

  9 lbs of Hycrest Crested Wheatgrass and 3 lbs of Kochia Prostrata.

- The buried pipeline exception request has been received. It has been determined that the pipeline route has bedrock exposed at the surface. The exception is granted for a surface pipeline.

DOWNHOLE COAs:

SITE SPECIFIC DOWNHOLE COAs:

- A surface casing shoe integrity test shall be performed.
- A variance is granted for Onshore Order #2-Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet.
- Production casing cement shall be at a minimum 200 feet inside the surface casing. A CBL shall be run from TD to top of cement and a field copy shall be sent to this field office.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**
- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of

each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.
    - Well name and number.
    - Well location (¼¼, Sec., Twn, Rng, and P.M.).
    - Date well was placed in a producing status (date of first production for which royalty will be paid).
    - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
    - Unit agreement and/or participating area name and number, if applicable.
    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or

data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 10/12/2007

API NO. ASSIGNED: 43-047-39694

WELL NAME: E CHAPITA 14-23Z(RIGSKID)

OPERATOR: EOG RESOURCES INC (N9550)

PHONE NUMBER: 435-781-9111

CONTACT: KAYLENE GARDNER

PROPOSED LOCATION:

SWSE 23 090S 230E

SURFACE: 0870 FSL 2070 FEL

BOTTOM: 0870 FSL 2070 FEL

COUNTY: UINTAH

LATITUDE: 40.01661 LONGITUDE: -109.2915

UTM SURF EASTINGS: 645814 NORTHINGS: 4430789

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU67868

PROPOSED FORMATION: PRRV

SURFACE OWNER: 1 - Federal

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[1] Ind[] Sta[] Fee[]

(No. NM2308)

N Potash (Y/N)

N Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit

(No. 49-1501)

N RDCC Review (Y/N)

(Date:)

N/A Fee Surf Agreement (Y/N)

N/A Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit:

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

✓ R649-3-3. Exception

___ Drilling Unit

Board Cause No:

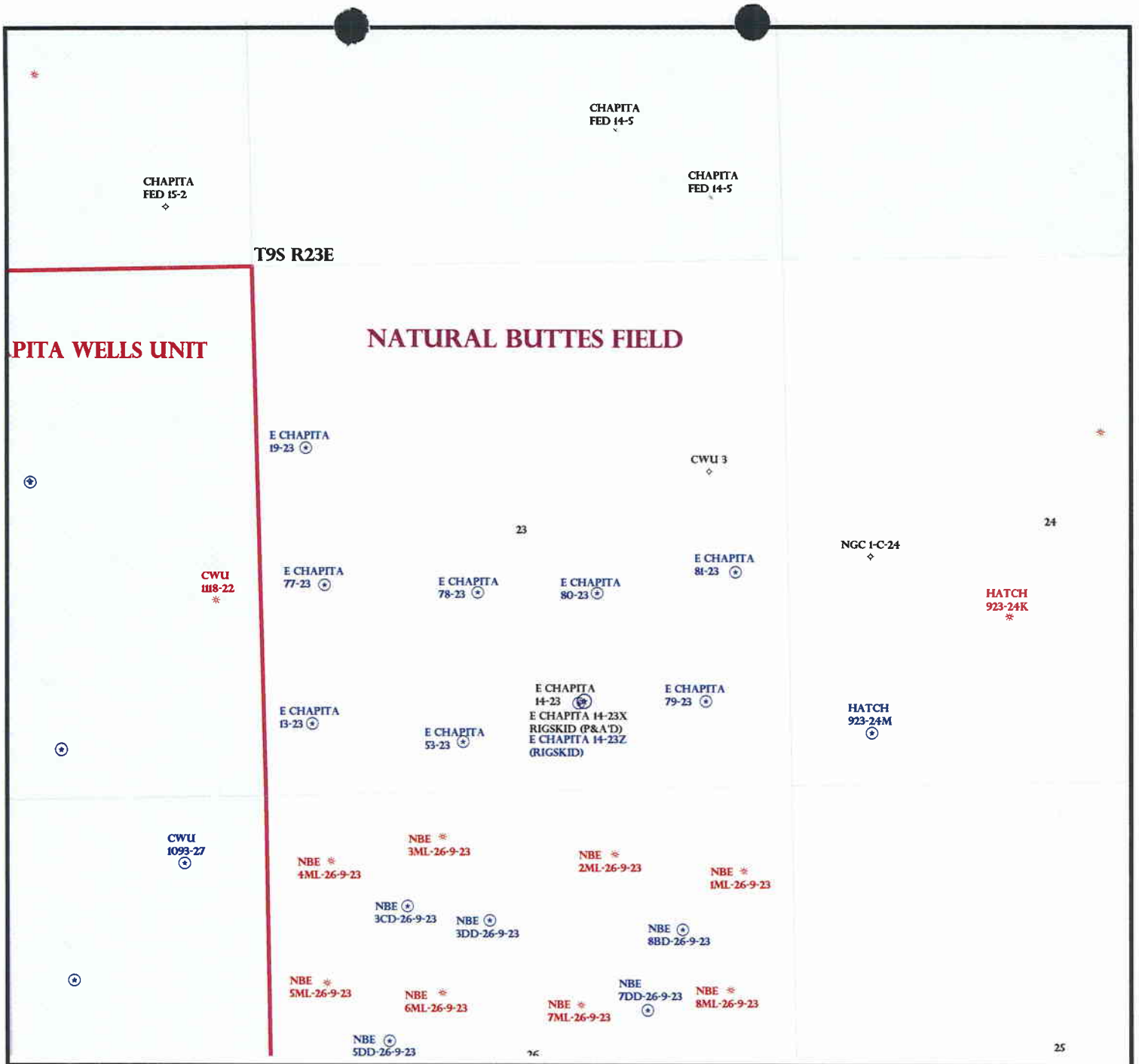
Eff Date:

Siting:

___ R649-3-11. Directional Drill

COMMENTS:

STIPULATIONS: 1-Federal Approval
2-Spacing Slip



OPERATOR: EOG RESOURCES INC (N9550)

SEC: 23 T.9S R. 23E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

SPACING: R649-3-3 / EXCEPTION LOCATION

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 15-OCTOBERR-2007

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil Gas and Mining

JOHN R. BAZA
Division Director

October 15, 2007

EOG Resources, Inc.
1060 East Highway 40
Vernal, UT 84078

Re: East Chapita 14-23Z Well, 870' FSL, 2070' FEL, SW SE, Sec. 23, T. 9 South, R. 23 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39694.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • www.ogm.utah.gov

UTAH DNR OIL, GAS & MINING

Operator: EOG Resources, Inc.

Well Name & Number East Chapita 14-23Z

API Number: 43-047-39694

Lease: UTU67868

Location: SW SE **Sec.** 23 **T.** 9 South **R.** 23 East

Conditions of Approval

1. General

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

   Notify the division within 24 hours of spudding the well.

   - Contact Carol Daniels at (801) 538-5284.

   Notify the Division prior to commencing operations to plug and abandon the well.

   - Contact Dustin Doucet at (801) 538-5281 (801) 733-0983 home

3. Reporting Requirements

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

5. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU67868

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
EAST CHAPITA 14-23Z

2. Name of Operator
EOG RESOURCES, INC.
Contact: CARRIE E MACDONALD
E-Mail: carrie_macdonald@eogresources.com

9. API Well No.
43-047-39694

3a. Address
600 17TH STREET, SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-262-2812
Fx: 303-262-2813

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH/MV

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 23 T9S R23E SWSE 870FSL 2070FEL
40.01658 N Lat, 109.29214 W Lon

11. County or Parish, and State
UINTAH COUNTY COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Well Spud
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well spud on 10/10/2007.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #56846 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name *(Printed/Typed)* CARRIE E MACDONALD — Title OPERATIONS CLERK

Signature (Electronic Submission) — Date 10/22/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
OCT 24 2007
DIV. OF OIL, GAS & MINING

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(August 2007)

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DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

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Expires: July 31, 2010

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6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
EAST CHAPITA 14-23Z

2. Name of Operator
EOG RESOURCES, INC.
Contact: CARRIE E MACDONALD
E-Mail: carrie_macdonald@eogresources.com

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DENVER, CO 80202

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11. County or Parish, and State
UINTAH COUNTY COUNTY, UT

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☐ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☒ Water Disposal	

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EOG Resources, Inc. requests authorization for disposal of produced water from the referenced well to any of the following locations.

1. Natural Buttes Unit 21-20B SWD
2. Chapita Wells Unit 550-30N SWD
3. Ace Disposal
4. RN Industries

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #56845 verified by the BLM Well Information System
For EOG RESOURCES, INC., sent to the Vernal

Name *(Printed/Typed)* CARRIE E MACDONALD — Title OPERATIONS CLERK

Signature (Electronic Submission) — Date 10/22/2007

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

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SUBMIT IN TRIPLICATE - Other instructions on reverse side.

5. Lease Serial No.
UTU67868

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

8. Well Name and No.
EAST CHAPITA 14-23Z

2. Name of Operator
EOG RESOURCES INC
Contact: MARY A MAESTAS
E-Mail: mary_maestas@eogresources.com

9. API Well No.
43-047-39694 (Rigskid)

3a. Address
600 17TH STREET SUITE 1000N
DENVER, CO 80202

3b. Phone No. (include area code)
Ph: 303-824-5526

10. Field and Pool, or Exploratory
NATURAL BUTTES/WASATCH/MV

4. Location of Well *(Footage, Sec., T., R., M., or Survey Description)*
Sec 23 T9S R23E SWSE 870FSL 2070FEL
40.01658 N Lat, 109.29214 W Lon

11. County or Parish, and State
UINTAH COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
☒ Subsequent Report	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Final Abandonment Notice	☐ Casing Repair	☐ New Construction	☐ Recomplete	☒ Other Production Start-up
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

The referenced well was turned to sales on 1/12/2008. Please see the attached operations summary report for drilling and completion operations performed on the subject well.

14. I hereby certify that the foregoing is true and correct.
Electronic Submission #58000 verified by the BLM Well Information System
For EOG RESOURCES INC, sent to the Vernal

Name *(Printed/Typed)* MARY A MAESTAS — Title REGULATORY ASSISTANT

Signature (Electronic Submission) — Date 01/14/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By _____ Title _____ Date _____

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon. Office _____

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
JAN 17 2008
DIV. OF OIL, GAS & MINING

WELL CHRONOLOGY REPORT

Report Generated On: 01-14-2008

Well Name	ECW 014-23Z	**Well Type**	DEVG	**Division**	DENVER
Field	CHAPITA DEEP	**API #**	43-047-39694	**Well Class**	COMP
County, State	UINTAH, UT	**Spud Date**	11-19-2007	**Class Date**	
Tax Credit	N	**TVD / MD**	8,600/ 8,600	**Property #**	062649
Water Depth	0	**Last CSG**	2.375	**Shoe TVD / MD**	0/ 0
KB / GL Elev	5,172/ 5,159				
Location	Section 23, T9S, R23E, SWSE, 870 FSL & 2070 FEL				

Event No	1.0	**Description**	DRILL & COMPLETE		
Operator	231877	**WI %**	100.0	**NRI %**	87.5

AFE No	306121	**AFE Total**	1,971,300	**DHC / CWC**	838,700/ 1,132,600		
Rig Contr	ELENBURG	**Rig Name**	ELENBURG #29	**Start Date**	10-09-2007	**Release Date**	11-26-2007
10-09-2007	**Reported By**	CINDY VAN RANKEN					
DailyCosts: Drilling	$0	**Completion**	$0	**Daily Total**	$0		
Cum Costs: Drilling	$0	**Completion**	$0	**Well Total**	$0		
MD 0	**TVD** 0	**Progress** 0	**Days** 0	**MW** 0.0	**Visc** 0.0		
Formation :	**PBTD :** 0.0		**Perf :**	**PKR Depth :** 0.0			

Activity at Report Time: LOCATION DATA

Start	End	Hrs	Activity Description
06:00	06:00	24.0	LOCATION DATA 870' FSL & 2070' FEL (SW/SE) SECTION 23, T9S, R23E UINTAH COUNTY, UTAH LAT 40.016575, LONG 109.292139 (NAD 83) LAT 40.016606, LONG 109.291461 (NAD 27) ELENBERG #29 OBJECTIVE: 8600' TD, MESAVERDE DW/GAS EAST CHAPITA PROSPECT DD&A: CHAPITA DEEP NATURAL BUTTES FIELD LEASE: UTU-67868 ELEVATION: 5159.4' NAT GL, 5158.5' PREP GL (DUE TO ROUNDING THE PREP GL IS 5159'), 5172' KB (13') EOG WI 100%, NRI 87.5%

10-11-2007 **Reported By** JERRY BARNES

DailyCosts: Drilling	$0		**Completion**	$0		**Daily Total**	$0		
Cum Costs: Drilling	$0		**Completion**	$0		**Well Total**	$0		
MD	40	**TVD**	40	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WO AIR RIG

Start	End	Hrs	Activity Description
06:00	06:00	24.0	ROCKY MOUNTAIN DRILLING SPUD A 20" HOLE ON 10/10/2007 @ 6:30 PM. SET 40' OF 14" CONDUCTOR. CEMENT TO SURFACE WITH READY MIX. JERRY BARNES NOTIFIED CAROL DANIELS W/UDOGM AND MICHAEL LEE W/BLM OF THE SPUD 10/10/2007 @ 5:30 PM.

10–23–2007 **Reported By** JERRY BARNES

DailyCosts: Drilling	$194,142		**Completion**	$0		**Daily Total**	$194,142		
Cum Costs: Drilling	$194,142		**Completion**	$0		**Well Total**	$194,142		
MD	2,425	**TVD**	2,425	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0
Formation :		**PBTD :** 0.0				**Perf :**		**PKR Depth :** 0.0			

Activity at Report Time: WORT

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU CRAIG'S AIR RIG #2 ON 10/14/2007. DRILLED 12–1/4" HOLE TO 2470' GL. ENCOUNTERED WATER @ 1700'. RAN 57 JTS (2412.10') OF 9–5/8", 36.0#, J–55, ST&C CASING WITH DAVIS/LYNCH GUIDE SHOE AND FLOAT COLLAR. 8 CENTRALIZERS SPACED MIDDLE OF SHOE JOINT AND EVERY COLLAR TILL GONE. LANDED @ 2425' KB. RDMO AIR RIG. MIRU PRO PETRO CEMENTING. HELD SAFETY MEETING. PRESSURE TESTED LINES AND CEMENT VALVE TO 1000 PSIG. PUMPED 180 BBLS FRESH WATER & 20 BBLS GELLED WATER FLUSH AHEAD OF CEMENT. MIXED & PUMPED 320 SX (65 BBLS) OF PREMIUM CEMENT W/2 % CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. DISPLACED CEMENT W/179 BBLS FRESH WATER. BUMPED PLUG W/610# @ 3:34 PM, 10/17/2007. CHECKED FLOAT, FLOAT HELD. SHUT–IN CASING VALVE. NO RETURNS. TOP JOB # 1: MIXED & PUMPED 50 SX (10 BBLS) OF PREMIUM CEMENT W/4 % CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 50 MINUTES. TOP JOB # 2: MIXED & PUMPED 100 SX (20 BBLS) OF PREMIUM CEMENT W/4% CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. NO RETURNS. WOC 2 HRS 30 MINUTES. TOP JOB # 3: MIXED & PUMPED 155 SX (32 BBLS) OF PREMIUM CEMENT W/4% CACL2 & ¼ #/ SX FLOCELE. MIXED CEMENT @ 15.8 PPG W/YIELD OF 1.15 CF/SX. HOLE FILLED & STOOD FULL. RDMO PRO PETRO CMENTERS. VOLUME OF SHOE JOINT PLUS ANNULUS EQUALS 674 SX CEMENT. HOLE FILLED & STOOD FULL WITH 625 SX CEMENT. PREPARED LOCATION FOR ROTARY RIG. WORT. WILL DROP FROM REPORT UNTIL FURTHER ACTIVITY. TAGGED AT 2292'. RAN SURVEY AT 2272' AT 4 DEGREES. LESTER FARNSWORTH NOTIFIED JAMIE SPARGER W/BLM OF THE SURFACE CASING & CEMENT JOB ON 10/17/2007 @ 2:00 PM.

11–18–2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$114,868	**Completion**	$0	**Daily Total**	$114,868
Cum Costs: Drilling	$309,010	**Completion**	$0	**Well Total**	$309,010

MD	2,425	**TVD**	2,425	**Progress**	0	**Days**	0	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TESTING BOPE

Start	End	Hrs	Activity Description
06:00	01:00	19.0	RIG DOWN ROTARY TOOLS, (MODIFY ROTARY EQUIOMENT FOR NON STANDARD LOCATION) MOVE TO EAST CHAPITA WELLS UNIT # 14–23Z, RURT WITH TRUCKS, TRANSFER FROM HOSS 32–30 TO ECWU 14–23Z, 4 JTS 4.5 X 11.6# PIIO LTC CASING (173.24'), AND 3165 GLS OF DIESEL, RIG MOVE WAS APPROXIMATELY 11 MILES, 11/16/2007 @ 1900 HRS NOTIFIED BLM VERNAL OFFICE JAMIE SPARGER, (435–781–4502), RIG MOVE TO ECWU 14–23Z, STARTS 11/17/2007 @ 0700 AND BOP TEST@2000 HRS,
01:00	02:00	1.0	NIPPLE UP BOP/DIVERTER. STARTED DAY WORK 11/18/2007 @ 01:00 HRS.
01:00	06:00	5.0	TESTING BOPS/DIVERTER, TEST ALL VALVES ON CHOKE MANIFOLD, CHOKE LINE AND KILL LINE TESTED RAMS AND HYDRIL AND CASING, ALL 5K EQIUIPMENT TO 5,000 HIGH AND 250 LOW, HYDRIL 2,500 HIGH AND 250 LOW, CASING TO 1,500, ALL TESTED, NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING WITH THIRD PARTY CONTRACTORS, FUEL ON HAND 3145, USED 25 GLS

11–19–2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$32,447	**Completion**	$0	**Daily Total**	$32,447
Cum Costs: Drilling	$341,457	**Completion**	$0	**Well Total**	$341,457

MD	2,847	**TVD**	2,847	**Progress**	422	**Days**	1	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TEST BOPS/DIVERTER
08:00	12:00	4.0	SET UP EQUIPMENT TO PICK UP BHA
12:00	16:00	4.0	TRIPPING IN HOLE WITH BHA
16:00	17:00	1.0	SLIP AND CUT DRILLING LINE
17:00	19:00	2.0	TRIPPING IN HOLE
19:00	20:00	1.0	REPAIR SWIVEL MOTOR
20:00	21:30	1.5	TRIP IN HOLE TAG CEMENT, INSTALL ROTATING RUBBER
21:30	23:30	2.0	REPAIR RIG X–O SWIVEL PUMP
23:30	00:00	0.5	DEVATION SURVEY 1 DEGREE @ 2400'
00:00	01:30	1.5	DRILLED CEMENT, FLOAT COLLAR, CEMENT, FLOAT SHOE
01:30	02:00	0.5	FIT TEST, PRESSURE TO 200 PSIG, EMW 10
02:00	06:00	4.0	DRILLED 2425' TO 2847', (422') ROP 105, MW 8.8, VIS 29, NO LOSS/GAIN
			NO ACCIDENTS / INCIDENTS, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1: TRIPPING PIPE, SAFETY MEETING # 2:WORKING ON RIG , FUEL ON HAND 2838 GLS, USED 307 GLS, MUD LOGGER ON LOCATION
06:00		18.0	SPUD 7 7/8" HOLE AT 02:00 HRS, 11/19/07.

11–20–2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$63,027	**Completion**	$3,045	**Daily Total**	$66,072
Cum Costs: Drilling	$404,484	**Completion**	$3,045	**Well Total**	$407,529

MD	4,419	TVD	4,419	Progress	1,572	Days	2	MW	8.7	Visc	28.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	07:30	1.5	DRILLED 2847 TO 2983' (136'), ROP 91, MW 8.8, VIS 29, GPM 400, NO LOSS/GAIN
07:30	08:00	0.5	SERVICE RIG, CHECK CROWN-O-MATIC
08:00	17:00	9.0	DRILLED 2983' TO 3618' (635'), ROP 70, MW 9.2, VIS 31, GPM 400, NO LOSS/GAIN
17:00	18:00	1.0	DEVATION SURVEY 2.5 DEGREE @ 3573'
18:00	04:00	10.0	DRILLED 3618' TO 4389', (771'), ROP 77, MW 9.4, VIS 31, GPM 400, NO LOSS/GAIN
04:00	05:00	1.0	RIG REPAIR, REPLACE RIG SWIVEL MOTOR
05:00	05:30	0.5	DEVATION SURVEY 2 DEGREE @ 4343'
05:30	06:00	0.5	DRILLED 4389' TO 4419', (30'), ROP 70, MW 9.4, VIS 31, GPM 400, NO LOSS/GAIN, NO ACCIDENTS / INCIDENTS, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1: TRIPPING PIPE, SAFETY MEETING # 2: RUN SURVEY , FUEL ON HAND NOT AVAILABLE AT REPORT TIME, MUD LOGGER ON LOCATION

11-21-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$36,854	Completion	$0	Daily Total	$36,854
Cum Costs: Drilling	$441,339	Completion	$3,045	Well Total	$444,384

MD	6,066	TVD	6,066	Progress	1,647	Days	3	MW	9.4	Visc	32.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	16:00	10.0	DRILLED 4419 TO 5230', (811'), ROP 50, MW 9.7, VIS 32, GPM 400, NO LOSS/GAIN
16:00	16:30	0.5	REPAIR LEAK ON SWIVEL
16:30	06:00	13.5	DRILLED 5230' TO 6066', (836'), ROP 62, MW 9.7, VIS 31, GPM 400, NO LOSS/GAIN, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1: HOUSE CLEANING, SAFETY MEETING # 2: CHANGING PUMPING , FUEL ON HAND 7796, USED 1014 GLS, MUD LOGGER ON LOCATION

11-22-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$30,171	Completion	$4,200	Daily Total	$34,371
Cum Costs: Drilling	$471,510	Completion	$7,245	Well Total	$478,755

MD	7,245	TVD	7,245	Progress	1,179	Days	4	MW	9.6	Visc	32.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	DRILLED 6066' TO 7245', (1179), ROP 49', MW 10.7, VIS 36, GPM 400, NO LOSS/GAIN, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1: MIXING ADDITIVES, SAFETY MEETING # 2: PINCH POINTS , FUEL ON HAND 6589, USED 1207 GLS, MUD LOGGER ON LOCATION

11-23-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$29,978	Completion	$0	Daily Total	$29,978
Cum Costs: Drilling	$501,488	Completion	$7,245	Well Total	$508,733

MD	8,167	TVD	8,167	Progress	922	Days	5	MW	10.5	Visc	35.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: DRILLING

Start	End	Hrs	Activity Description
06:00	16:30	10.5	DRILLED 7245' TO 7744', (499'), ROP 47, MW 10.8, VIS 33, GPM 400, NO LOSS/GAIN

16:30	17:00	0.5	SERVICE RIG, CHECK CROWN-O-MATIC, BOP TEST 1 MIN
17:00	06:00	13.0	DRILLED 7744' TO 8167', (423'), ROP 33, MW 11, VIS 36, GPM 400, NO LOSS/GAIN, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1: SWAP OUT PUMPS, SAFETY MEETING # 2: MONITOR PUMPS FUEL ON HAND 5363, USED 1226 GLS, MUD LOGGER ON LOCATION

11-24-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$54,483	**Completion**	$0	**Daily Total**	$54,483
Cum Costs: Drilling	$555,971	**Completion**	$7,245	**Well Total**	$563,216

MD	8,507	**TVD**	8,507	**Progress**	340	**Days**	6	**MW**	10.9	**Visc**	35.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: TRIPPING IN HOLE WITH BIT #2

Start	End	Hrs	Activity Description
06:00	10:30	4.5	DRILLED 8167' TO 8333', (166'), ROP 37, MW 11.1, VIS 36, GPM 400, NO LOSS/GAIN
10:30	11:00	0.5	SERVICE RIG, CHECK CROWN-O-MATIC
11:00	18:30	7.5	DRILLED 8333' TO 8507', (174'), ROP 23, MW 11.3, VIS 36, GPM 400, NO LOSS/GAIN, NOTIFIED VERNAL BLM OFFICE, JAMIE SPARGER, 435-781-4502, ON 11/23/2007 @ 0530 OF RUNNING CASING AND CEMENTING OF WELL.
18:30	19:30	1.0	PUMP PILL, DROP SURVEY
19:30	03:30	8.0	TRIP OUT OF HOLE WITH BIT # 1, LAY DOWN REAMERS, MUD MOTOR AND BIT
03:30	06:00	2.5	PICK UP BIT # 2, MUD MOTOR, TRIPPING IN HOLE WITH BIT # 2, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1: REMOVING ROTATING RUBBER, SAFETY MEETING # 2: MONITOR PUMPS FUEL ON HAND NOT AVAILABLE AT REPORT TIME, MUD LOGGER ON LOCATION

11-25-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$39,686	**Completion**	$75,368	**Daily Total**	$115,054
Cum Costs: Drilling	$595,658	**Completion**	$82,613	**Well Total**	$678,271

MD	8,600	**TVD**	8,600	**Progress**	93	**Days**	7	**MW**	11.1	**Visc**	35.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: LAYING DOWN BHA

Start	End	Hrs	Activity Description
06:00	11:00	5.0	TRIPPING IN HOLE WITH BIT # 2
11:00	13:00	2.0	REPLACE SWIVEL MOTOR
13:00	14:00	1.0	TRIPPING IN HOLE WITH BIT # 2
14:00	19:00	5.0	WASH/REAM 6500' TO 8507', (2007'), MW 11.3 VIS 35
19:00	22:30	3.5	DRILLED 8507' TO 8600' TD, (93'), ROP 26, MW 11.4, VIS 38, GPM 400, NO LOSS/GAIN. REACHED TD AT @ 22: 30 HRS, 11/24/07.
22:30	23:30	1.0	CIRCULATE / PUIMP PILL
23:30	06:00	6.5	SHORT TRIP, NO FLOW, TRIP TO BTM, CLEAN WELL BORE, TRIP OUT OF HOLE WITH BIT # 2, (CASING POINT 11/24/2007 @ 2330 HRS), RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1: REMOVING ROTATING RUBBER, SAFETY MEETING # 2: UNHOOK KELLY HOSE, FUEL ON HAND 3426 GLS, USED 1203 GLS,

11-26-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$27,788	**Completion**	$0	**Daily Total**	$27,788
Cum Costs: Drilling	$623,446	**Completion**	$82,613	**Well Total**	$706,059

MD	8,600	**TVD**	8,600	**Progress**	0	**Days**	8	**MW**	11.4	**Visc**	36.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RUNNING CSG.

Start	End	Hrs	Activity Description
06:00	08:00	2.0	TRIP OUT OF HOLE WITH BHA TO RUN CASING
08:00	10:00	2.0	CHANGE OVER EQUIPMENT TO RUN CASING, SAFETY MEETING
10:00	12:30	2.5	RIG REPAIR, REPAIR SWIVEL MOTOR
12:30	16:00	3.5	RUN CASING
16:00	22:00	6.0	TRIP OUT OF HOLE WITH CASING TO PULL WEAR BUSHING
22:00	22:30	0.5	PULL WEAR BUSHING
22:30	00:00	1.5	TRIPPING IN HOLE WITH CASING
00:00	00:30	0.5	CONNECT KELLY HOSE TO FILL PIPE
00:30	06:00	5.5	TRIPPING IN HOLE WITH CASING, RIG REPAIRS, FULL CREWS, SAFETY MEETING # 1:PULLING WEAR BUSHING, SAFETY MEETING # 2: CONNECTING KELLY HOSE, FUEL ON HAND NOT AVAILABLE AT REPORT TIME,
06:00		18.0	

11-27-2007 **Reported By** DUANE C WINKLER

DailyCosts: Drilling	$35,374	**Completion**	$48,953	**Daily Total**	$84,327
Cum Costs: Drilling	$658,820	**Completion**	$131,566	**Well Total**	$790,386

MD	8,600	**TVD**	8,600	**Progress**	0	**Days**	9	**MW**	0.0	**Visc**	0.0

Formation : **PBTD :** 0.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: RDRT/WO COMPLETION

Start	End	Hrs	Activity Description
06:00	10:00	4.0	RUN 4 1/2" PROD. CASING, CASING STUCK WHILE GOING IN HOLE, WORK PIPE, CIRCULATE AND WORK PIPE, PIPE STUCK. LAND CASING AS FOLLOWS 198 JTS (4 JTS 4 1/2", 11.6#, HC P-110 & 194 JTS OF 4 1/2", 11.6 #, N-80 CASING. RAN AS FOLLOWS: FS @ 8543', 1 JT HC P-110, FC @ 8497', 3 JTSC HC P-110, 58 JTS N-80, MJ TOP @ 5864', 46 JTS N-80, MJ TOP AT 3872', 90 JTS N-80.
10:00	11:00	1.0	SAFETY MEETING WITH THIRD PARTY CONTACTORS, RIG UP SCHLUMBERGER.
11:00	14:00	3.0	SCHLUMBERGER. TEST LINES TO 5000 PSI. PUMP 20 BBLS CHEMICAL WASH AND 20 BBLS WATER SPACER. MIXED AND PUMPED 290 SKS (116 BBL), 35:65 POZ G + ADDITIVES (YIELD 2.26) AT 12 PPG WITH 12.95 GPS H2O. MIXED AND PUMPED TAIL 1410 SKS (324 BBL), 50:50 POZ G + ADDITIVES (YIELD 1.29) AT 14.1 PPG WITH 5.96 GPS H2O. DISPLACED TO FLOAT COLLAR WITH 131 BBL FRESH WATER. AVG MIX AND DISPLACEMENT RATE 6.6 BPM. FULL RETURNS, BUMPED PLUG TO 3200 PSI. BLED OFF PRESSURE, FLOATS HELD. RD SCHLUMBERGER.
14:00	18:00	4.0	LAND SLIPS, NIPPLE DOWN BOP, CUT OFF CASING, INSTALL NIGHT CAP, CLEAN TANKS.
18:00	06:00	12.0	RIG DOWN ROTARY TOOLS TO MOVE TO CWU 1092-27.
			NO ACCIDENTS / INCIDENTS, NO RIG REPAIRS, FULL CREWS, SAFETY MEETING WITH THIRD PARTY CONTRACTORS, TRANSFER FROM ECWU 14-23Z TO CWU 1092-27, 10 JTS 4.5 X 11.6# N80 LTC CASING (427.50'), AND 3120 GLS OF DIESEL, RIG MOVE IS APPROXIMATELY 10 MILES, (MUD LOGGER JONATHAN ARRIETA ON LOCATION 7 DAYS), 11/25/2007 @ 0530 HRS NOTIFIED BLM VERNAL OFFICE JAMIE SPARGER, (435-781-4502), RIG MOVE TO CWU 1092-27 STARTS 11/27/2007 @ 0700 AND BOP TEST 1600 HRS,
06:00		18.0	RELEASE RIG ON 11/26/2007 @ 18:00 HRS.
			CASING POINT COST $658,820

11-29-2007 **Reported By** SEARLE

DailyCosts: Drilling	$0	**Completion**	$43,044	**Daily Total**	$43,044
Cum Costs: Drilling	$658,820	**Completion**	$174,610	**Well Total**	$833,430

MD 8,600 **TVD** 8,600 **Progress** 0 **Days** 10 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 8497.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: PREP FOR FRACS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	MIRU SCHLUMBERGER. LOG WITH RST/CBL/CCL/VDL/GR FROM PBTD TO 400'. EST CEMENT TOP @ 550'. RD SCHLUMBERGER.

12-08-2007 **Reported By** MCCURDY

DailyCosts: Drilling $0 **Completion** $1,780 **Daily Total** $1,780

Cum Costs: Drilling $658,820 **Completion** $176,390 **Well Total** $835,210

MD 8,600 **TVD** 8,600 **Progress** 0 **Days** 11 **MW** 0.0 **Visc** 0.0

Formation : **PBTD :** 8497.0 **Perf :** **PKR Depth :** 0.0

Activity at Report Time: WO COMPLETION

Start	End	Hrs	Activity Description
15:00	16:00	1.0	NU 10M FRAC TREE. PRESSURE TESTED FRAC TREE & CASING TO 6500 PSIG. WO COMPLETION

12-13-2007 **Reported By** MCCURDY

DailyCosts: Drilling $0 **Completion** $8,292 **Daily Total** $8,292

Cum Costs: Drilling $658,820 **Completion** $184,682 **Well Total** $843,502

MD 8,600 **TVD** 8,600 **Progress** 0 **Days** 12 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 8497.0 **Perf :** 7951'-8351' **PKR Depth :** 0.0

Activity at Report Time: FRAC MPR/UPR

Start	End	Hrs	Activity Description
06:00	17:30	11.5	RU CUTTERS WIRELINE. PERFORATED LPR FROM 8151'-52', 8158'-59', 8161'-62', 8172'-73', 8185'-86', 8192'-93', 8207'-08', 8228'-29', 8233'-34', 8245'-46', 8249'-50', 8253'-54', 8339'-40', 8345'-46' & 8350'-51' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4156 GAL WF120 LINEAR PAD, 7364 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 34302 GAL YF116ST+ W/99400# 20/40 SAND @ 1-4 PPG. MTP 6339 PSIG. MTR 50.6 BPM. ATP 4530 PSIG. ATR 47.2 BPM. ISIP 2750 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 8105'. PERFORATED LPR FROM 7951'-52', 7961'-62', 7974'-75', 7992'-93', 8000'-01', 8011'-12', 8021'-22', 8042', 43', 8051'-52', 8058'-59' (MISFIRE), 8066'-67' & 8085'-86' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. START FRAC. LOST 2 PUMPS BY 1.5# STAGE. OVERFLUSHED 50 BBLS. REFRAC DOWN CASING W/5186 GAL WF120 LINEAR PAD, 7359 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 46969 GAL YF116ST+ W/135300# 20/40 SAND @ 1-4 PPG. MTP 6075 PSIG. MTR 50.2 BPM. ATP 4420 PSIG. ATR 46.9 BPM. ISIP 2760 PSIG. RD SCHLUMBERGER. SDFN.

12-14-2007 **Reported By** MCCURDY

DailyCosts: Drilling $0 **Completion** $18,786 **Daily Total** $18,786

Cum Costs: Drilling $658,820 **Completion** $203,468 **Well Total** $862,288

MD 8,600 **TVD** 8,600 **Progress** 0 **Days** 13 **MW** 0.0 **Visc** 0.0

Formation : MESAVERDE **PBTD :** 8497.0 **Perf :** 6689'-8351' **PKR Depth :** 0.0

Activity at Report Time: FRAC

Start	End	Hrs	Activity Description

06:00	18:00	12.0	SICP 2045 PSIG. RUWL SET 10K CFP AT 7910'. PERFORATED MPR FROM 7764'-65', 7771'-72' (MISFIRE), 7776'-77', 7789'-90', 7806'-07', 7818'-19', 7829'-30', 7842'-43', 7851'-52', 7864'-65', 7872'-73' & 7889'-90' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4165 GAL WF120 LINEAR PAD, 7404 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 41519 GAL YF116ST+ W/118500# 20/40 SAND @ 1-4 PPG. MTP 6431 PSIG. MTR 51.4 BPM. ATP 4820 PSIG. ATR 47.5 BPM. ISIP 3500 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 7570'. PERFORATED MPR FROM 7380'-81', 7388'-89', 7421'-22', 7436'-37', 7446'-47', 7463'-64', 7479'-80', 7491'-92', 7501'-02', 7518'-19', 7534'-35' & 7544'-45' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 6219 GAL WF120 LINEAR PAD, 7362 GAL WF120 LINEAR W/1# & 1.5# 20/40SAND, 55719 GAL YF116ST+ W/165300# 20/40 SAND @ 1-4 PPG. MTP 6261 PSIG. MTR 51.3 BPM. ATP 4750 PSIG. ATR 43 BPM. ISIP 2470 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 7350'. PERFORATED MPR FROM 7209'-10', 7243'-44', 7248'-49', 7253'-54', 7275'-76', 7282'-83', 7292'-93', 7300'-01', 7310'-11', 7317'-18', 7328'-29' & 7334'-35' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4132 GAL WF120 LINEAR PAD, 7364 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 39996 GAL YF116ST+ W/119500# 20/40 SAND @ 1-4 PPG. MTP 5841 PSIG. MTR 51.7 BPM. ATP 4117 PSIG. ATR 47.3 BPM. ISIP 2480 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 7150'. PERFORATED UPR FROM 6929'-30', 6942'-43', 6972'-73', 6983'-84', 6991'-92', 7023'-24', 7029'-30', 7086'-87', 7096'-97', 7105'-06', 7119'-20' & 7128'-29' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4127 GAL WF120 LINEAR PAD, 7359 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 46684 GAL YF116ST+ W/142000# 20/40 SAND @ 1-4 PPG. MTP 5992 PSIG. MTR 54.2 BPM. ATP 4210 PSIG. ATR 48.9 BPM. ISIP 2040 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CFP AT 6850'. PERFORATED UPR FROM 6689'-90', 6693'-94', 6707'-08', 6712'-13', 6717'-18', 6730'-31', 6735'-36', 6764'-65', 6785'-86', 6789'-90', 6813'-14' & 6833'-34' @ 3 SPF & 120° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 3109 GAL WF120 LINEAR PAD, 5255 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 27420 GAL YF116ST+ W/78200# 20/40 SAND @ 1-4 PPG. MTP 5556 PSIG. MTR 51.7 BPM. ATP 4994 PSIG. ATR 46.7 BPM. ISIP 1850 PSIG. RD SCHLUMBERGER. SDFN.

12-15-2007 **Reported By** MCCURDY, HISLOP

DailyCosts: Drilling	$0	**Completion**	$304,448	**Daily Total**	$304,448
Cum Costs: Drilling	$658,820	**Completion**	$507,916	**Well Total**	$1,166,736

MD	8,600	**TVD**	8,600	**Progress**	0	**Days**	14	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 8497.0 **Perf :** 6319'-8351' **PKR Depth :** 0.0

Activity at Report Time: CLEAN OUT SAND AND DRILL OUT FRAC PLUGS

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 1014 PSIG. RUWL. SET 10K CFP AT 6600'. PERFORATED UPR FROM 6319'-20', 6348'-49', 6358'-59', 6421'-22', 6428'-29', 6438'-39', 6446'-47', 6457'-58', 6496'-97', 6531'-32', 6539'-40', 6557'-58', 6561'-62' & 6575'-76' @ 2 SPF & 180° PHASING. RDWL. RU SCHLUMBERGER. FRAC DOWN CASING WITH 165 GAL GYPTRON T-106, 4124 GAL WF120 LINEAR PAD, 7356 GAL WF120 LINEAR W/1# & 1.5# 20/40 SAND, 44674 GAL YF116ST+ W/140700# 20/40 SAND @ 1-4 PPG. MTP 5596 PSIG. MTR 51.7 BPM. ATP 3707 PSIG. ATR 47.3 BPM. ISIP 2000 PSIG. RD SCHLUMBERGER. RUWL. SET 10K CBP AT 6240'. BLED OFF PRESSURE. RDWL. MIRUSU. ND FRAC TREE. NU BOP. SDFN.

12-18-2007 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$27,182	**Daily Total**	$27,182
Cum Costs: Drilling	$658,820	**Completion**	$535,098	**Well Total**	$1,193,919

MD	8,600	**TVD**	8,600	**Progress**	0	**Days**	15	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 8497.0 **Perf :** 6319'-8351' **PKR Depth :** 0.0

Activity at Report Time: CLEAN OUT AFTER FRAC

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. RIH W/BIT & PUMP OFF SUB TO 6240'. RU TO DRILL PLUGS. SDFN.

12–19–2007 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$70,731	**Daily Total**	$70,731
Cum Costs: Drilling	$658,820	**Completion**	$605,829	**Well Total**	$1,264,650

MD	8,600	**TVD**	8,600	**Progress**	0	**Days**	16	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 8497.0 **Perf :** 6319'–8351' **PKR Depth :** 0.0

Activity at Report Time: FLOW TESTING

Start	End	Hrs	Activity Description
06:00	06:00	24.0	SICP 0 PSIG. CLEANED OUT & DRILLED OUT PLUGS @ 6240', 6600', 6850', 7150', 7350', 7570', 7910', & 8105'. RIH CLEANED OUT TO 8460'. LANDED TUBING @ 7185' KB. ND BOP. NU TREE. PUMPED OFF BIT & SUB. RDMOSU. FLOWED 14 HRS. 16/64 CHOKE. FTP 1600 PSIG. CP 2250 PSIG. 36 BFPH. RECOVERED 434 BLW. 10366 BLWTR. TUBING DETAIL LENGTH PUMP OFF BIT SUB .91' 1 JT 2–3/8" 4.7# NL–80 TBG 31.52' XN NIPPLE 1.30' 224 JTS 2–3/8" 4.7# N–80 TBG 7138.55' BELOW KB 13.00' LANDED @ 7185.28' KB

12–20–2007 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$9,550	**Daily Total**	$9,550
Cum Costs: Drilling	$658,820	**Completion**	$615,379	**Well Total**	$1,274,200

MD	8,600	**TVD**	8,600	**Progress**	0	**Days**	17	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 8497.0 **Perf :** 6319'–8351' **PKR Depth :** 0.0

Activity at Report Time: FLOW TEST

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1500 PSIG. CP 2900 PSIG. 30 BFPH. RECOVERED 812 BLW. 9554 BLWTR.

12–21–2007 **Reported By** HISLOP

DailyCosts: Drilling	$0	**Completion**	$3,153	**Daily Total**	$3,153
Cum Costs: Drilling	$658,820	**Completion**	$618,532	**Well Total**	$1,277,353

MD	8,600	**TVD**	8,600	**Progress**	0	**Days**	18	**MW**	0.0	**Visc**	0.0

Formation : MESAVERDE **PBTD :** 8497.0 **Perf :** 6319'–8351' **PKR Depth :** 0.0

Activity at Report Time: WO FACILITIES

Start	End	Hrs	Activity Description
06:00	06:00	24.0	FLOWED 24 HRS. 16/64" CHOKE. FTP 1400 PSIG. SICP 2800 PSIG. 24 BFPH. RECOVERED 694 BLW. 8860 BLWTR. SI. WO FACILITIES. FINAL COMPLETION DATE: 12/20/07

Form 3160-4
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No. UTU67868

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.
Other _____

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.

2. Name of Operator EOG RESOURCES, INC. Contact: MARY A. MAESTAS E-Mail: mary_maestas@eogresources.com

8. Lease Name and Well No. EAST CHAPITA 14-23Z

3. Address 600 17TH STREET SUITE 1000N DENVER, CO 80202

3a. Phone No. (include area code) Ph: 303-824-5526

9. API Well No. 43-047-39694

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon

At top prod interval reported below SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon

At total depth SWSE 870FSL 2070FEL 40.01658 N Lat, 109.29214 W Lon

10. Field and Pool, or Exploratory NATURAL BUTTES/MESAVERDE

11. Sec., T., R., M., or Block and Survey or Area Sec 23 T9S R23E Mer SLB

12. County or Parish UINTAH

13. State UT

14. Date Spudded 10/10/2007

15. Date T.D. Reached 11/24/2007

16. Date Completed ☐ D & A ☒ Ready to Prod. 01/12/2008

17. Elevations (DF, KB, RT, GL)* 5159 GL

18. Total Depth: MD 8600 TVD

19. Plug Back T.D.: MD 8497 TVD

20. Depth Bridge Plug Set: MD TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)
RST/CBL/CCL/VDL/GR ,Temp

22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit analysis)
Directional Survey? ☒ No ☐ Yes (Submit analysis)

23. Casing and Liner Record *(Report all strings set in well)*

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
7.875	4.500 P-110	11.6							
12.250	9.625 J-55	36.0	0	2425		625			
7.875	4.500 N-80	11.6	0	8543		1700			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	7185							

25. Producing Intervals / 26. Perforation Record

	Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A)	MESAVERDE	6319	8351	8151 TO 8351		3	
B)				7951 TO 8086		3	
C)				7764 TO 7890		3	
D)				7380 TO 7545		3	

27. Acid, Fracture, Treatment, Cement Squeeze, Etc.

Depth Interval	Amount and Type of Material
8151 TO 8351	45,987 GALS GELLED WATER & 99,400# 20/40 SAND
7951 TO 8056	59,514 GALS GELLED WATER & 135,300# 20/40 SAND
7764 TO 7890	53,253 GALS GELLED WATER & 118,500# 20/40 SAND
7380 TO 7545	69,465 GALS GELLED WATER & 165,300# 20/40 SAND

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/12/2008	01/19/2008	24	→	50.0	290.0	240.0			FLOWS FROM WELL

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
10/64"	1500 SI	2800.0	→	50	290	240		PGW

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #58601 VERIFIED BY THE BLM WELL INFORMATION SYSTEM
**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

RECEIVED
FEB 14 2008
DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						

Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status
			→					

29. Disposition of Gas *(Sold, used for fuel, vented, etc.)*
SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
MESAVERDE	6319	8351		GREEN RIVER	1555
				MAHOGANY	2160
				WASATCH	4343
				CHAPITA WELLS	4926
				BUCK CANYON	5569
				PRICE RIVER	6295
				MIDDLE PRICE RIVER	7094
				LOWER PRICE RIVER	7860

32. Additional remarks (include plugging procedure):
Please see the attached sheet for detailed perforation and additional formation marker information.

33. Circle enclosed attachments:

1. Electrical/Mechanical Logs (1 full set req'd.)
2. Geologic Report
3. DST Report
4. Directional Survey
5. Sundry Notice for plugging and cement verification
6. Core Analysis
7 Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #58601 Verified by the BLM Well Information System.
For EOG RESOURCES, INC., sent to the Vernal

Name *(please print)* MARY A. MAESTAS Title REGULATORY ASSISTANT

Signature (Electronic Submission) Date 02/12/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fradulent statements or representations as to any matter within its jurisdiction.

**** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ****

East Chapita 14-23Z - ADDITIONAL REMARKS (CONTINUED):

26. PERFORATION RECORD

7209-7335	3/spf
6929-7129	3/spf
6689-6834	3/spf
6319-6576	2/spf

27. ACID, FRACTURE TREATMENT, CEMENT SQUEEZE, ETC.

7209-7335	51,657 GALS GELLED WATER & 119,500# 20/40 SAND
6929-7129	58,335 GALS GELLED WATER & 142,000# 20/40 SAND
6689-6834	35,949 GALS GELLED WATER & 78,200# 20/40 SAND
6319-6576	56,319 GALS GELLED WATER & 140,700# 20/40 SAND

Perforated the Lower Price River from 8151-52', 8158-59', 8161-62', 8172-73', 8185-86', 8192-93', 8207-08', 8228-29', 8233-34', 8245-46', 8249-50', 8253-54', 8339-40', 8345-46' & 8350-51' w/ 3 spf.

Perforated the Lower Price River from 7951-52', 7961-62', 7974-75', 7992-93', 8000-01', 8011-12', 8021-22', 8042-43', 8051-52', 8066-67' & 8085-86' w/ 3 spf.

Perforated the Middle Price River from 7764-65', 7776-77', 7789-90', 7806-07', 7818-19', 7829-30', 7842-43', 7851-52', 7864-65', 7872-73' & 7889-90' w/ 3 spf.

Perforated the Middle Price River from 7380-81', 7388-89', 7421-22', 7436-37', 7446-47', 7463-64', 7479-80', 7491-92', 7501-02', 7518-19', 7534-35' & 7544-45' w/ 3 spf.

Perforated the Middle Price River from 7209-10', 7243-44', 7248-49', 7253-54', 7275-76', 7282-83', 7292-93', 7300-01', 7310-11', 7317-18', 7328-29' & 7334-35' w/ 3 spf.

Perforated the Upper Price River from 6929-30', 6942-43', 6972-73', 6983-84', 6991-92', 7023-24', 7029-30', 7086-87', 7096-97', 7105-06', 7119-20' & 7128-29' w/ 3 spf.

Perforated the Upper Price River from 6689-90', 6693-94', 6707-08', 6712-13', 6717-18', 6730-31', 6735-36', 6764-65', 6785-86', 6789-90', 6813-14' & 6833-34' w/ 3 spf.

Perforated the Upper Price River from 6319-20', 6348-49', 6358-59', 6421-22', 6428-29', 6438-39', 6446-47', 6457-58', 6496-97', 6531-32', 6539-40', 6557-58', 6561-62' & 6575-76' w/ 2 spf.

52. FORMATION (LOG) MARKERS

SEGO	8390

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 7

REPORT OF WATER ENCOUNTERED DURING DRILLING

Well name and number: ECW 14-23Z

API number: 4304739694

Well Location: QQ SWSE Section 23 Township 9S Range 23E County UINTAH

Well operator: EOG

Address: 1060 E HWY 40

city VERNAL state UT zip 84078 Phone: (435) 781-9111

Drilling contractor: CRAIGS ROUSTABOUT SERVICE

Address: PO BOX 41

city JENSEN state UT zip 84035 Phone: (435) 781-1366

Water encountered (attach additional pages as needed):

DEPTH		VOLUME	QUALITY
FROM	TO	(FLOW RATE OR HEAD)	(FRESH OR SALTY)
1,700	1,710	NO FLOW	NOT KNOWN

Formation tops: (Top to Bottom)

1 _____ 2 _____ 3 _____

4 _____ 5 _____ 6 _____

7 _____ 8 _____ 9 _____

10 _____ 11 _____ 12 _____

If an analysis has been made of the water encountered, please attach a copy of the report to this form.

I hereby certify that this report is true and complete to the best of my knowledge.

NAME (PLEASE PRINT) Mary A. Maestas TITLE Regulatory Assistant

SIGNATURE Mary A. Maestas DATE 2/12/2008

(5/2000)